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Programa Mundial de Alimentos
برنامج الأغذية العالمي

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Agenda item 5

WFP/EB.2/2026/5-A/1*

Financial and budgetary matters

For decision

Executive Board documents are available on WFP's website (https://executiveboard.wfp.org).

WFP management plan (2027–2029)

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Draft decision*

Having considered WFP's management plan for 2027–2029 (WFP/EB.2/2026/5-A/1), the Board:

i) *notes* that the proposed 2027 programme support and administrative budget assumes a funding level of USD 6.3 billion in 2027 (the "global contribution forecast");

ii) *takes note* of projected operational requirements of USD 12.2 billion in 2027 and a provisional implementation plan of USD 7.6 billion for 2027, as outlined in section III of the management plan for 2027-2029;

iii) *approves* a 2027 programme support and administrative budget of USD 366.4 million, to be appropriated as follows:

Strategic direction and management	USD 90.8 million
Efficient, effective and evidence-based business services	USD 170.2 million
Influential advocacy and communications for effective partnerships and resource mobilization	USD 69.1 million
Robust governance and independent oversight	USD 36.3 million
Total	**USD 366.4 million**

iv) *authorizes* the Executive Director to increase the programme support and administrative budget in the case of an increase in the global contribution forecast, at a rate not to exceed 2 percent of the anticipated increase in that forecast; and *authorizes* the Executive Director to reduce the appropriation by up to 10 percent by implementing cost-saving measures, as feasible;

v) *approves* the use of the programme support and administrative equalization account to fund any shortfall between indirect support cost revenue from contributions and the programme support and administrative appropriation;

vi) *approves* a standard indirect support cost recovery rate at 6.5 percent for 2027 for all contributions except for such contributions received pursuant to General Rule XIII.4 (e), for which an indirect support cost recovery rate of 4 percent shall apply;

vii) *approves* the use of the programme support and administrative equalization account for a total amount of USD 28.9 million, specifically to:

a) *replenish* the Wellness Fund with USD 2 million;

b) *appropriate* USD 26.9 million for critical corporate initiatives, detailed as follows:

i) USD 4.4 million for a one-year extension of the critical corporate initiative on "International Public Sector Accounting Standards (IPSAS) implementation", which enables WFP to complete the implementation of IPSAS requirements and maintain compliance with international public sector accounting standards;

ii) USD 10.0 million for the critical corporate initiative on "WFP digital business transformation plan", to expand the scope of the initiative through investments in artificial intelligence and digital technologies that support more efficient and effective programme delivery, decision-making and operations;

* This is a draft decision. For the final decision adopted by the Board, please refer to the decisions and recommendations document issued at the end of the session.

iii) USD 7.2 million for a new two-year critical corporate initiative on "UN80: Delivering integrated services, systems and data across the United Nations system", which supports United Nations reform efforts through investments in integrated services, systems and data, and the strengthening of efficiency, accountability and coordination across the humanitarian system;

iv) USD 2.7 million for a new two-year critical corporate initiative on "Scaling innovative finance for WFP delivery and impact", which will strengthen WFP's capacity to mobilize and leverage innovative sources of financing in support of programme delivery and impact;

v) USD 2.6 million for a new two-year critical corporate initiative on "Upskilling country office teams for resource mobilization strategy implementation", which aims to strengthen country offices' capacities in resource mobilization and partnerships, supporting the implementation of WFP's resource mobilization strategy and diversified fundraising efforts;

viii) approves WFP's plan for establishing the innovative financing facility to provide catalytic capital that will unlock multi-year financing solutions;

ix) *approves* the use of the unearmarked portion of the General Fund for a total amount of USD 80 million, specifically to:

a) *replenish* the Immediate Response Account by the amount of USD 30 million to improve the availability of funds for allocations from that account;

b) *replenish* the country office safety net by the amount of USD 15 million to continue supporting country offices that face acute financial distress and to address unforeseen and urgent costs, such as the relocation or evacuation of employees, arising from rapidly changing security conditions or incidents;

c) *invest* the amount of USD 20 million as the third tranche of funding for the individual fundraising model;

d) *allocate* the amount of USD 15 million for the establishment of the innovative financing facility to provide catalytic capital that will unlock multi-year financing solutions;

x) *approves* the resourcing target level of USD 400 million for the Immediate Response Account in 2027, in line with the 2026 level; and

xi) *approves* the evaluation function workplan and priorities for 2027–2029, as presented in annex VIII.

AT A GLANCE

Management plan for 2027-2029

World Food Programme

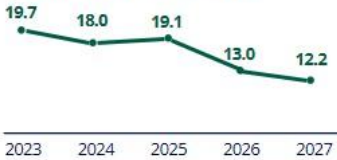
CONTEXT

Operational requirements

USD 12.2 billion

91 million Targeted beneficiaries

The operational requirements reflect the needs expressed in the country strategic plans. The declining level is due to stronger prioritization given foreseen funding reductions and operational and access constraints.



Contribution forecast

USD 6.3 billion

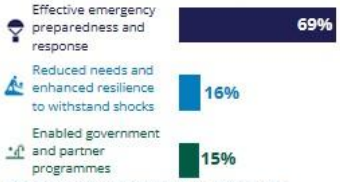
- Funding is expected to stabilize at USD 6.3 billion for the duration of the management plan
- The resource mobilization strategy is aligned with delivering the three outcomes of WFP's strategic plan and is intended to strengthen emergency response, build resilience, and enable sustainable government-led programmes.

Provisional implementation plan

USD 7.6 billion

80 million beneficiaries

Resources are mobilized to deliver the three outcomes of WFP's strategic plan:

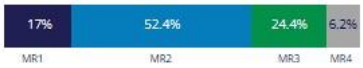


The 2027 provisional implementation plan (USD 7.6 billion) comprises USD 6.3 billion in forecast contributions, USD 1.15 billion in net fund balance utilization, and USD 0.15 billion for on-demand service provision activities.

PROGRAMME SUPPORT AND BUSINESS OPERATIONS

Baseline budget by management result (MR)

USD 602.5 million



- Strategic direction and management
- Efficient, effective and evidence-based business services
- Influential advocacy and communications for effective resource mobilization
- Robust governance and independent oversight

Programme support and administrative budget

Proposed PSA budget
USD 366.4 million

- 4% reduction compared with 2026
- In line with projected ISC income and fully aligned with "living within our means" principle
- Efforts to safeguard country offices and operational support

Indirect support costs

ISC standard rate 6.5%

with exceptions of **4%**

as previously approved by the Board

Projected ISC income

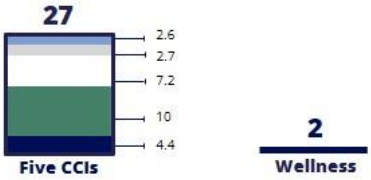
USD 366.4 million

based on contribution forecast of USD 6.3 billion

Proposed use of PSA equalization account and unearmarked portion of the General Fund

figures in USD million

Proposed use of the PSA equalization account



- Upskilling country offices in fundraising and partnerships
- Scaling innovative finance for WFP delivery and impact
- WFP's leadership in integrated supply chains and common services under UN80
- WFP digital business transformation plan
- IPSAS implementation (extension)

For services that are essential to the well-being of WFP's employees

Proposed use of unearmarked portion of the General Fund

- To enable WFP to respond to emergencies in a timely manner
- To support country offices in adapting to reduced funding levels
- To provide catalytic capital to unlock multi-year financing solutions
- To continue diversifying WFP's income streams by expanding into new markets and new channels

Executive summary

Introduction

As WFP implements its new strategic plan for 2026–2029, the global outlook remains highly uncertain. Humanitarian needs continue to rise, particularly in countries affected by protracted crises, where conflict remains the primary driver of hunger and displacement. Adding to these pressures, economic fragility, geopolitical instability and climate-related shocks continue to exacerbate food insecurity worldwide, with El Niño conditions and persistent economic pressures expected to place further strain on food systems, livelihoods and vulnerable people in 2027. At the same time, severe funding constraints are placing unprecedented pressure on the humanitarian system's ability to respond.

Amid these challenges, WFP will remain focused on delivering life-saving assistance in emergencies while pursuing integrated approaches that strengthen resilience and support nationally led systems. Guided by its strategic plan, WFP will continue to prioritize the interventions that have the greatest impact on hunger and malnutrition, while applying rigorous assurance measures and adapting delivery modalities to evolving operational conditions.

The management plan for 2027–2029 reflects the need for continued prioritization, operational agility, and the disciplined stewardship of resources. As humanitarian financing remains constrained, WFP will seek to maximize the impact of every contribution through efficient resource allocation, strengthened accountability, and a continued focus on value for money.

Concurrently, WFP will continue to play a leading role in the implementation of United Nations reform efforts, including the UN80 initiative and the humanitarian reset. Building on its comparative advantages in supply chain management, common services and data capabilities, WFP will contribute to a more coordinated, efficient and accountable humanitarian system.

Following the transition to a two-tier organizational model, in 2027 WFP will focus on consolidating the benefits of the new structure by continuing to simplify processes, strengthen the use of enabling technologies, and invest in innovation, data and digital solutions to improve decision-making, enhance organizational performance and better support field operations. In an increasingly challenging operating environment, these efforts will position WFP to deliver more effectively for the people it serves.

Funding context

WFP expects annual contributions to remain at approximately USD 6.3 billion during the management plan period. Against a backdrop of persistent humanitarian needs, increasing competition for resources, and continued pressure on official development assistance budgets, WFP will intensify its engagement with existing partners in order to sustain support while broadening and diversifying its funding base. The organization will strengthen partnerships with programme countries, international financial institutions, pooled funding mechanisms, private sector actors, foundations and individual donors. At the same time, it will continue to seek greater levels of flexible, thematic and multi-year funding and explore innovative financing opportunities. These efforts will help to strengthen the sustainability, predictability and diversity of WFP's resource base while supporting effective and agile responses to growing needs.

Programmatic context

WFP's projected operational requirements for 2027 are estimated at USD 12.2 billion to assist approximately 91 million people. Consistent with the challenging operational environment, these requirements are lower than those of 2026, reflecting WFP's planning approach, which takes into account resource expectations, operational capacity and contextual constraints when formulating programmes. The global provisional implementation plan of USD 7.6 billion for 2027 is based on the global contribution forecast of USD 6.3 billion, estimated net carry-over balances of USD 1.15 billion, and projected revenue of USD 150 million from service provision. The implementation plan represents 63 percent of operational requirements and would enable WFP to assist approximately 80 million beneficiaries. The gap between projected operational requirements and available resources underscores the need for the continued prioritization of assistance towards the people facing the most acute food insecurity.

Saving lives will remain WFP's top priority. Crisis response activities will account for the largest share of planned implementation in 2027, at 74 percent – unchanged from 2026. Resilience-building activities, representing 22 percent of the plan, will focus on strengthening communities' capacity to withstand and recover from shocks, thereby helping to reduce long-term humanitarian needs. Activities addressing the root causes of food insecurity and malnutrition will account for 4 percent of the provisional implementation plan.

Cash-based transfers and commodity vouchers, together accounting for 44 percent of total transfer costs under the provisional implementation plan, are expected to surpass in-kind food assistance as WFP's largest transfer modality for the first time; in-kind food assistance will account for 40 percent of total transfer costs. This reflects WFP's continued focus on delivering assistance through the most appropriate and efficient modalities, based on operational conditions and market functionality.

Programme support and business operations

As part of programme support and business operations, baseline activities provide the systems, capabilities and services that underpin programme delivery, operational effectiveness, governance and accountability throughout the organization. The baseline budget continues to be presented through WFP's integrated resources-to-results framework, aligning resources with management results and performance indicators. Accounting for 52 percent of the baseline budget, management result 2, “Efficient, effective and evidence-based business services”, remains the largest component and provides the operational capabilities, systems and infrastructure required for WFP to deliver assistance efficiently, accountably and at scale.

Programme support and administrative budget

The proposed programme support and administrative (PSA) budget for 2027 is USD 366.4 million, representing a 4 percent reduction from the level approved in 2026. The budget reflects WFP’s continued efforts to align indirect support costs with projected income while protecting frontline delivery, sustaining critical corporate functions and maintaining support for country operations. It supports WFP's ongoing transition towards a leaner, more integrated and efficient operating model, building on the organizational changes implemented in recent years; as a result, budget reductions are targeted rather than uniform.

The Secretariat proposes maintaining the indirect support cost rate at 6.5 percent, with the existing 4 percent exception applied under conditions previously approved by the Executive Board. Based on a global contribution forecast of USD 6.3 billion, projected indirect support cost income is USD 366.4 million, fully funding the proposed PSA budget for 2027.

Proposed uses of the programme support and administrative equalization account and the unearmarked portion of the General Fund

The PSA equalization account and the unearmarked portion of the General Fund are projected to remain above their respective target levels. Management proposes allocating USD 28.9 million from the PSA equalization account and USD 80 million from the unearmarked portion of the General Fund to investments that strengthen WFP's operational effectiveness, resilience and long-term financial sustainability.

Proposed allocations from the PSA equalization account include USD 2 million for the wellness fund and USD 26.9 million for critical corporate initiatives. In 2027, these initiatives include the Digital business transformation plan and artificial intelligence, Scaling innovative finance for WFP delivery and impact, Upskilling country office teams for resource mobilization strategy implementation, UN80: delivering integrated services, systems and data across the United Nations system, and an extension and budgetary top-up for implementation of the most recent International Public Sector Accounting Standards.

Management also proposes that allocations be made from the unearmarked portion of the General Fund to strengthen the Immediate Response Account, replenish the country office safety net, expand WFP's individual fundraising model, and establish a new innovative financing facility aimed at unlocking additional financing through innovative partnerships and investment approaches. Together, these investments are intended to strengthen emergency response capacity, improve organizational efficiency, diversify funding sources, and enhance WFP's ability to deliver results in an increasingly constrained operating environment.

Section I: External and internal context

1. This management plan for 2027–2029 has been developed in an uncertain and challenging external environment characterized by rising humanitarian needs, persistent conflict, increasing climate-related shocks, economic uncertainty, and severe funding constraints. While progress in reducing food insecurity remains possible in some settings, the global outlook for 2027 is highly fragile. Against this backdrop, WFP will continue to actively engage and lead in the UN80 reform efforts, and WFP's strategic plan for 2026–2029 will continue to guide the organization's response as it delivers life-saving assistance, strengthens resilience, and seeks to maximize the impact of its work in an increasingly constrained operating environment. Both external and internal factors will shape the organization's strategic and financial choices, requiring continued prioritization, operational agility, and disciplined stewardship of resources.

2. The global food security outlook for 2027 is highly challenging. Acute needs are concentrated in countries affected by protracted crises, constrained humanitarian financing and the compounding effects of multiple crises and shocks. Conflict and insecurity, climate events linked to El Niño conditions, and macroeconomic pressures arising from the conflict in the Middle East are expected to remain the key drivers of acute food insecurity and malnutrition, deepening vulnerability and increasing operational complexity.

3. In 2025, 266 million people in 47 countries faced acute food insecurity, and the share of acutely food-insecure people has doubled over the last decade,[1] with up to 720 million people facing chronic hunger globally in 2024.[2] In June 2026, the Food and Agriculture Organization of the United Nations (FAO) and WFP warned that food insecurity is expected to worsen in 13 hunger hotspots in the second half of 2026.[3] However, progress in some countries demonstrates that improvements in acute food insecurity are achievable, helping to counterbalance setbacks in other countries. The compounding effects of multiple shocks continuing into 2027 are expected to further strain food systems, livelihoods and households' ability to meet essential food needs. After famine was declared in parts of the Sudan and the Gaza Strip in 2025, the risk of famine was identified or persisted in four countries or territories in the second half of 2026: the Sudan, South Sudan, the Gaza Strip and Somalia.[3]

4. Conflict remains the primary driver of acute food insecurity for more than half of the world's acutely food-insecure people. The four countries or territories currently at risk of famine face active conflict, and ongoing and protracted conflicts continue to disrupt food systems, destroy livelihoods, drive displacement, and constrain humanitarian access and access to markets. With conflict expected to worsen hunger in 12 of the world's 13 hunger hotspots during the second half of 2026,[3] major crises could extend into 2027, worsening existing vulnerabilities.

5. Climate risks will remain a key driver of food insecurity in 2027. Strong El Niño conditions are expected to put millions of people at risk, with drier weather in Central America and parts of South Asia, Eastern and Western Africa, and increased flood risk in the Horn of Africa and parts of Asia.[4] While climate anomalies are expected from mid-2026 to early 2027, the impacts will materialize mainly in 2027–2028, depending on countries' crop calendars, as

[1] FAO, WFP and Global Network Against Food Crises. 2026. *2026 Global Report on Food Crises – Joint analysis for better decisions*.

[2] FAO, International Fund for Agricultural Development (IFAD), United Nations Children's Fund (UNICEF), WFP and World Health Organization (WHO). 2025. *The State of Food Security and Nutrition in the World 2025 – Addressing high food price inflation for food security and nutrition*.

[3] FAO and WFP. 2026. *Hunger Hotspots. FAO–WFP early warnings on acute food insecurity: June to November 2026 outlook*.

[4] FAO and WFP. 2025. *El Niño. FAO–WFP Joint Anticipatory Action Appeal, June 2026–March 2027*.

lower harvests reduce food availability, lengthen lean seasons, and drive price increases. Additional pressure may arise where high fertilizer prices resulting from the conflict in the Middle East have constrained fertilizer use and crop yields.

6. Economic stress will continue to heighten vulnerabilities across countries. Eroded foreign exchange reserves and fiscal space, driven by higher import bills, and increased social protection and other fiscal measures during the Middle East conflict may limit governments' ability to respond to shocks in 2027. These pressures are compounded by elevated debt burdens and the likely inflationary effects of high energy prices in 2026. Continued geopolitical and trade tensions, and a possible reassessment of the productivity increases expected from artificial intelligence (AI) may weigh further on the global growth outlook and put livelihoods at stake.[5]

7. The outlook for humanitarian financing in 2027 remains highly constrained. Official development assistance saw its sharpest annual decline in 2025, at 23.1 percent, with humanitarian assistance contracting by 35.8 percent.[6] Humanitarian assistance for the food sector in crisis settings plummeted in 2025, standing at 59 percent lower than 2022 levels.[7] Budgetary constraints in donor countries, shifting domestic and geopolitical priorities, and heightened needs are expected to continue to strain the humanitarian sector's capacity. In 2027, the reforms adopted by the multilateral system, such as the UN80 initiative and the humanitarian reset, will reach their implementation phase, delivering greater prioritization, efficiency and accountability.

8. These developments are essential for meeting rising humanitarian needs with constrained resources. WFP will continue to lead the implementation of key UN80 reforms, building on its comparative advantage as the logistics backbone of the humanitarian community – including through the integrated supply chain initiative, common services, and data systems.

9. Technological advances present opportunities to strengthen WFP's effectiveness and efficiency. Continued investment in data, digital solutions, predictive analytics and supply chain innovations can support better targeting, improved decision-making and more cost-effective delivery models. These opportunities will become increasingly important as WFP seeks to maximize impact with constrained resource availability.

10. As WFP's transition to a two-tier organizational model is substantially complete, 2027 will focus on consolidating and building on the new structure and realizing its full benefits. Priority will be given to simplifying processes, strengthening the use of enabling technologies and embedding more efficient ways of working that enhance cost-effectiveness, reinforce controls and accountability, and improve organizational performance.

11. WFP's strategic plan for 2026–2029 will continue to guide the organization's response in these unprecedented circumstances. The plan reflects WFP's commitment to eradicating hunger by delivering life-saving assistance and reducing humanitarian needs. By doing so, it fosters greater integration between WFP's interventions, ultimately strengthening resilience and government-led systems. WFP will also maintain the impact of its interventions by delivering the right balance between in-kind and cash-based assistance, depending on the needs in each setting. Strong assurance standards will be applied to ensure that assistance reaches the right people safely.

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[5] International Monetary Fund. 2026. *World Economic Outlook: Global Economy in the Shadow of War*.

[6] Organisation for Economic Co-operation and Development (OECD). ODA trends and statistics. [Consulted on 17 June 2026]

[7] FAO and WFP. 2026. *Hunger Hotspots. FAO–WFP early warnings on acute food insecurity: June to November 2026 outlook*.

Section II – Funding context and resourcing assumptions

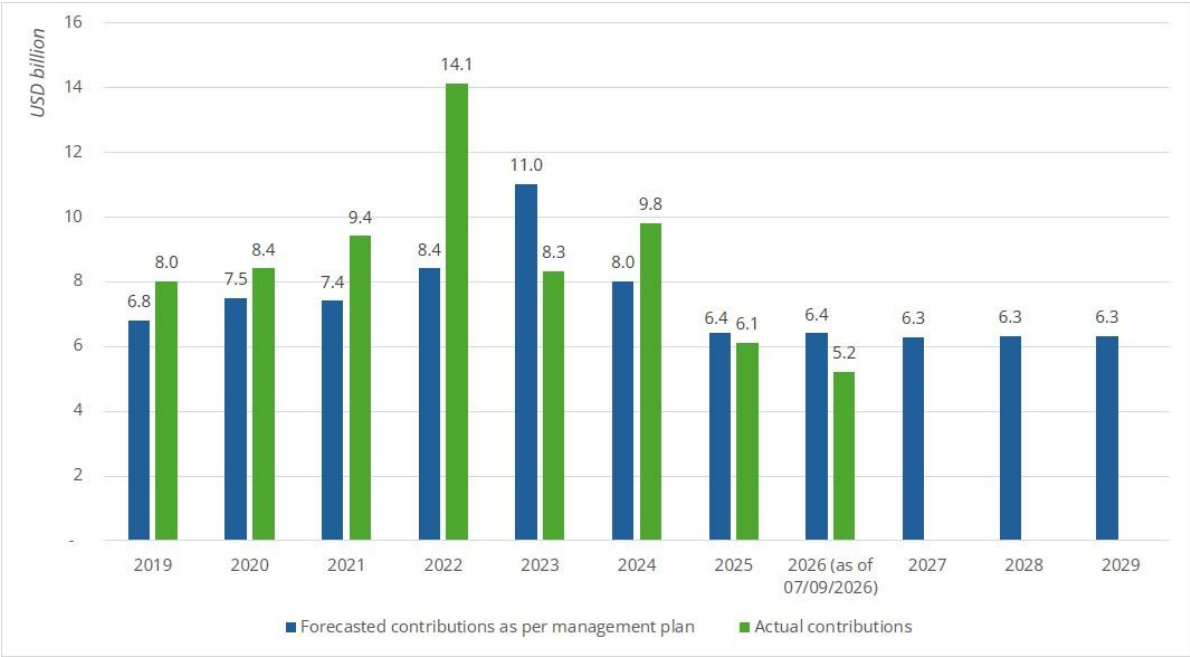
2.1 Overview

12. As WFP navigates a rapidly evolving environment for humanitarian and development financing, it projects contributions of approximately USD 6.3 billion per year until 2029.

13. These projections are being made against a backdrop of significant change in the global financing landscape. Official development assistance (ODA), long a cornerstone of international cooperation, is under increasing pressure as governments respond to fiscal constraints, shifting geopolitical priorities, and growing domestic demands.

14. Despite these shifts, WFP continues to benefit from broad and sustained support from its partners. Building on the progress and achievements of recent years, the organization maintains a diverse funding base spanning governments, programme countries, international financial institutions (IFIs), private sector partners and individual supporters. As of 7 September 2026, WFP had received contributions from 84 separate sources, providing a strong foundation for the organization as it adapts to an evolving financing environment.

Figure 2.1: Evolution of actual contributions to WFP, 2019–2029 (confirmed and projected)*



* 2025 confirmed contributions of USD 6.5 billion restated as per actual contribution income of USD 6.1 billion after accounting adjustments, and aligned with 2025 financial statements.

15. The composition of development and humanitarian financing is expected to continue evolving throughout the management plan period. Increasingly, governments are pursuing nationally led solutions that combine domestic resources, international financing, technical expertise and implementation support, while IFIs continue to expand their role in resilience-building and systems-strengthening efforts. At the same time, pooled funding mechanisms are becoming increasingly important vehicles for collective action.

16. Despite these changes, two realities remain constant: food security continues to be both a global and a national priority; and WFP remains a trusted, agile and scalable organization capable of delivering results in some of the world's most complex environments. While traditional donor governments will remain central to the international aid architecture, a growing share of financing is expected to come through programme countries, IFIs, non-traditional government partners, pooled funding mechanisms and private actors.

17. Private sector actors are playing an increasingly important role, not only as sources of funding but also as providers of innovation capabilities aligned with WFP's innovation strategy, and of technology, expertise and influence. Local private sector actors have a critical role in enabling food systems and reducing humanitarian needs.

18. WFP's funding environment is therefore shaped by a resource mobilization strategy that is centred on three mutually reinforcing priorities: protecting existing partnerships; growing support from emerging partners and partners with high potential; and diversifying the organization's resource base.

19. Responding to this new environment requires more than adaptation in resource mobilization. It also requires an evolution in how WFP positions itself and works with partners. Increasingly, WFP will act not only as an implementer of programmes, but also as a convener of coalitions, a trusted advisor to governments, and a platform through which public, private and multilateral actors can align around shared objectives.

2.2 Protecting, growing and diversifying partnerships and resources

Protect

20. Longstanding government partners are expected to remain the cornerstone of WFP's funding base throughout the management plan period. These partnerships continue to constitute the backbone of WFP's operations and reflect sustained confidence in the organization's mandate, operational excellence and ability to deliver results at scale.

21. Protecting these relationships remains a strategic priority. WFP will continue to invest in strategic engagement, advocacy, and compelling narratives about impacts that take into account needs while demonstrating results, resilience, protection and the value of collective action.

22. The organization will continue to engage governments, Executive Board members, parliamentarians, opinion leaders and other influencers to reinforce food security as a critical investment in stability, resilience and sustainable development.

23. Protecting partnerships also means strengthening their quality and strategic depth. Increasingly, WFP's most important relationships extend beyond resource mobilization to encompass policy dialogue, technical collaboration, innovation capabilities and digital transformation, visibility, and joint advocacy.

24. These partnerships help to elevate food security within broader discussions on economic growth, climate resilience, social protection, human capital and national security. They also create opportunities to build stronger coalitions around shared priorities and collective outcomes.

Grow

25. Over the coming years, programme countries, IFIs and multilateral financing mechanisms are expected to play an increasingly important role in WFP's funding portfolio.

26. A growing number of governments are investing domestic resources in social protection systems, school meal programmes, resilience initiatives and the transformation of food systems. These trends reflect a broader shift towards greater national ownership and create opportunities for WFP to support governments, not only as an implementing partner, but also as a strategic advisor, technical partner and convener of stakeholders.

27. WFP's engagement with the private sector is one of its most dynamic areas of growth. Private contributions have seen a notable increase, driven by enhanced support from corporations and foundations, alongside a growing base of individual donors. These private sector partners are not only contributing larger volumes of funding but also offering predictability

and flexibility through multi-year agreements, enabling WFP to plan and scale its operations more effectively.

28. In addition to financial contributions, private sector partners provide critical expertise that drives innovation, and in-kind support that ranges from technology solutions to supply chain capabilities. This collaboration goes beyond programme delivery, helping WFP to enhance efficiency and effectiveness by optimizing operations, lowering costs and strengthening performance at scale. Local private sector actors will increasingly be engaged as agents of change in their own right. In line with the objectives of WFP's localization policy, local private sector actors aligned with WFP's programmatic focus and objectives will be supported with technical assistance, improving food systems and reducing humanitarian needs. With targeted investment and support, the momentum of the private sector will continue into 2027, with significant potential to drive further growth while strengthening efficiency and effectiveness throughout WFP's operations.

29. Private sector partnerships will be proactively safeguarded through a diversified and balanced portfolio-based approach. By broadening the donor base across corporates, foundations and individual contributors, and reducing reliance on a limited number of high-value partners, WFP aims to mitigate the volatility of its revenue flows and enhance the resilience of its private sector income stream. This approach supports sustained growth while preserving the flexibility and predictability of funding in an increasingly constrained external environment.

30. Growth will also come through stronger and strategic engagement with pooled funding mechanisms and joint financing arrangements. As governments and development partners seek more integrated approaches to complex challenges, pooled funds provide opportunities to support nationally led priorities while advancing collective outcomes.

31. Growth will increasingly be driven by alliances and coalitions. Success will depend on WFP's ability to engage governments, programme countries, Board members, countries, partners from the Gulf states, IFIs, foundations, private sector actors and individual supporters, not only as funders, but also as advocates and strategic partners.

32. As financing models evolve, WFP will continue to strengthen its role as a convenor for collaboration across the humanitarian, development and resilience agendas. By bringing together public, private and multilateral actors around nationally led solutions, WFP can help to unlock resources, generate influence and support sustainable impact at scale.

Diversify

33. While public sector partners will continue to provide the majority of resources, private sector partnerships, philanthropy, individual giving and innovative financing mechanisms are expected to play an increasingly important role in diversifying and strengthening WFP's resource base.

34. Individual giving is expected to become one of the most dynamic and strategically important components of WFP's diversified funding portfolio. Building on the foundational investments made in 2020–2022, in 2024 WFP launched a five-year investment plan aimed at further increasing contributions from individual giving.[8] The third tranche of this plan is proposed as part of this management plan, with a USD 20 million allocation projected to drive a 20 percent increase in contributions from individual donors in 2027. With continued investment, which started with the first USD-20 million tranches in 2025 and 2026, total income from individuals could reach USD 1.3 billion over the investment period until 2030.

[8] Additional details on the performance of previously disbursed investments regarding individual giving is provided in annex IV.

WFP will further deepen its engagement with global philanthropists and "high-net-worth" individuals, building long-term partnerships in line with its mission.

35. WFP will also continue to expand its engagement with innovative financing mechanisms. Climate finance, blended finance, debt conversions, impact investing[9] and other emerging instruments offer opportunities to unlock new sources of capital and support investments that address the structural drivers of food insecurity.

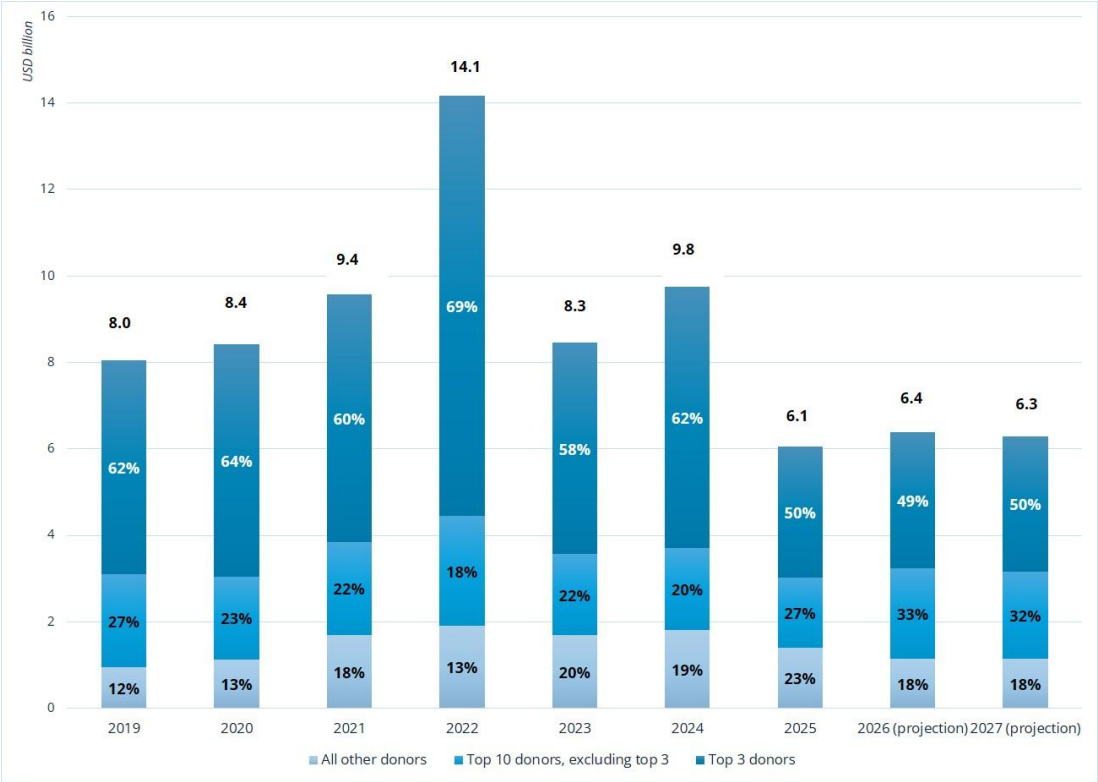
Innovation as an enabler of funding and partnerships

36. Increasingly, innovation is enabling WFP to strengthen its funding base. As financing models evolve and partners place greater emphasis on efficiency, outcomes and value for money, innovation provides WFP with new ways of mobilizing resources, improving operational performance and demonstrating measurable results. Through investments in technology, data, innovative business processes and new delivery models, WFP is strengthening its ability to respond to partners' changing expectations while increasing the effectiveness of its programmes and operations.

37. Consistent with WFP's innovation strategy, innovation will continue to support resource mobilization and partnership development by enabling new forms of collaboration with governments, IFIs, private sector actors and philanthropic partners. Advances in AI, digital capabilities and data-driven decision-making will improve WFP's understanding of its partners, identify emerging funding opportunities, and support more tailored engagement in an increasingly diverse partnership ecosystem. At the same time, innovation will help WFP to validate and scale new financing approaches, strengthen operational efficiency, and generate evidence of impact, reinforcing the organization's ability to protect existing partnerships, diversify its funding base and attract strategic sources of support.

[9] "Impact investing" refers to investments made with the aim of generating specific positive social or environmental outcomes.

Figure 2.2: Distribution of contributions to WFP, by donor group (confirmed and projected)*



* 2025 confirmed contributions of USD 6.5 billion restated as per actual contribution income of USD 6.1 billion after accounting adjustments, and aligned with 2025 financial statements.

2.3 Funding flexibility and predictability

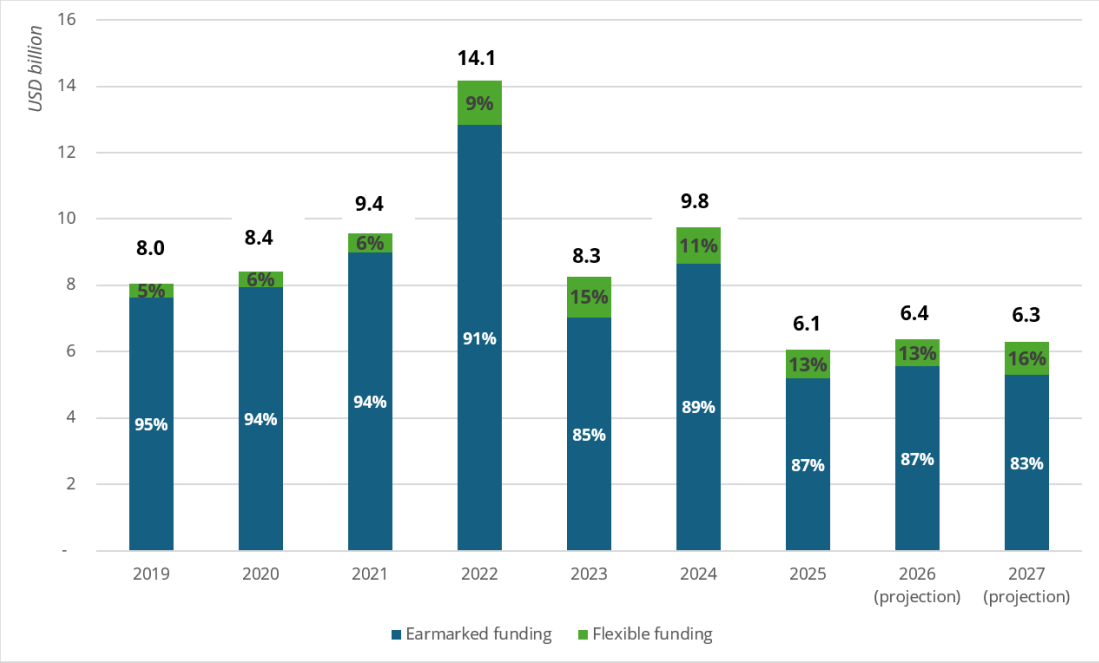
38. Flexible funding continues to provide WFP with operational leverage, enabling the organization to respond rapidly to emerging crises, prioritize the most acute needs, and sustain critical supply pipelines while earmarked contributions are mobilized. In 2025, flexible contributions declined to USD 850 million, from USD 1.1 billion in 2024, reducing WFP's capacity to act early and absorb shocks in multiple simultaneous crises. Despite this decline in absolute terms, the proportion of flexible funding increased from 11 percent to 13 percent of total contributions, underscoring its growing importance in an increasingly constrained funding environment. For 2027, WFP's forecasts estimate total flexible funding of approximately USD 1 billion, representing 16 percent of projected total contributions of USD 6.3 billion under the most recent global forecast; this is comprised of USD 433 million in fully unearmarked funding, USD 40 million in direct contributions to the Immediate Response Account (IRA), and USD 525 million in softly earmarked contributions.

39. In 2025, WFP allocated flexible funding to operations in 78 countries, compared with 85 in 2024, reflecting the need to concentrate scarce resources on the highest-priority operations. Reduced funding also affected shared services, with the United Nations Humanitarian Air Service (UNHAS) adjusting its fleets in underfunded operations such as in Mali, narrowing its capacity to facilitate humanitarian access for the wider community.

40. At the same time, positive trends emerged: private sector contributions to flexible funding remained stable, and – for the first time since 2022 – fully unearmarked contributions exceeded softly earmarked funding. Even at reduced levels, flexible funding remained indispensable, supporting the response to the risk of famine in the Sudan, protecting nutrition pipelines in Ethiopia, sustaining assistance in Afghanistan, and enabling rapid response to hurricanes in the Caribbean.

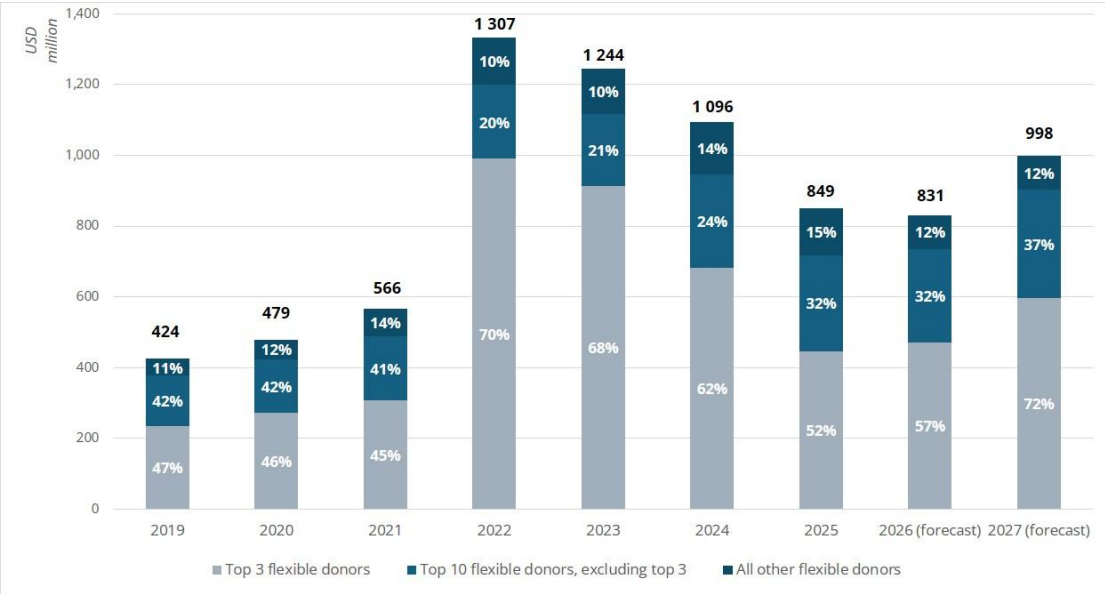
41. Predictable funding is equally important. Predictable funding supports a shift from short-term responses towards longer-term investments in resilience, preparedness and nationally led solutions. As partners increasingly seek sustainable impact, predictable financing will play an important role in enabling more strategic and effective programming.

Figure 2.3.1: Flexible and earmarked funding by percentage of total contributions, 2019–2027 (confirmed and projected)*



* 2025 confirmed contributions of USD 6.5 billion restated as per actual contribution income of USD 6.1 billion after accounting adjustments, and aligned with 2025 financial statements. Apportionment between earmarked and flexible funding aligned with 2025 confirmed contributions.

Figure 2.3.2: Flexible and earmarked funding by donors contributing flexible funding, 2019–2027 (confirmed and projected)

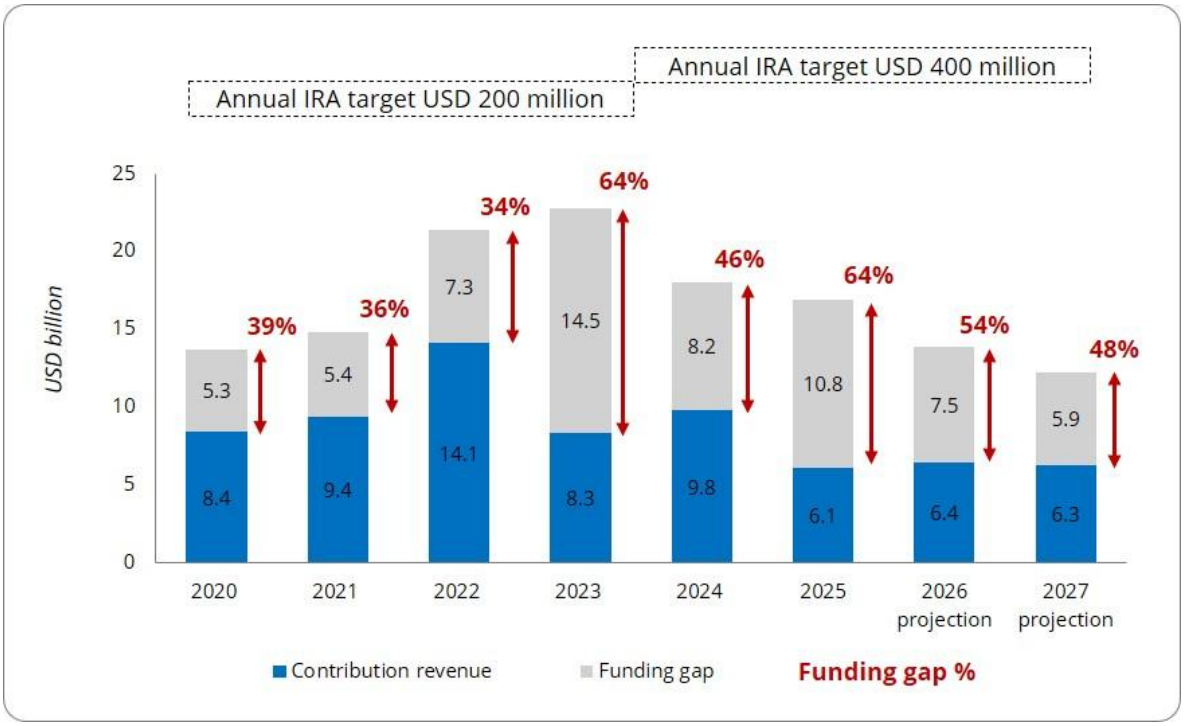


2.4 Immediate Response Account resourcing target

42. The IRA is WFP's rapid, "last resort" financing mechanism, enabling funds to be released within 72 hours to support immediate action that saves lives when a crisis strikes. As a flexible, non-earmarked and revolving pooled fund, the IRA allows WFP to prioritize urgent needs before critical response windows close and to invest in emergency preparedness actions that mitigate the impact of impending crises when no viable alternative funding is available. Replenishment depends on direct contributions from donors, reimbursements from eligible operations when contributions are confirmed, and – subject to the Board's approval – transfers from reserves. This revolving mechanism ensures liquidity in an emergency while ensuring that IRA resources complement rather than replace directed contributions, and funding from the Central Emergency Response Fund (CERF) and other humanitarian financing streams.

43. As of 30 June 2026, WFP had allocated USD 123 million from the IRA to support operations in 18 countries. Rising global food insecurity, compounded by natural disasters and declining contributions, is limiting country offices' ability to finance emergency responses and is expected to place increasing demand on the IRA in 2027. The funding gap between operational requirements and global forecasted contributions increased to 64 percent in 2025 and is projected to decrease to 54 percent in 2026 and 48 percent in 2027, which remains high (see figure 2.4).

Figure 2.4: Operational requirements and forecasted contributions, 2020–2027 *(USD)**



* Figures for 2026 and 2027 are projections based on the global forecast as of June 2026.

44. Under Financial Regulation 4.3, the Board establishes an IRA target level for a financial period; since 2023, that level has been set at USD 400 million. The annual IRA target does not represent a commitment by Member States but serves as a signal for resource mobilization. Ideally, the target level should be maintained by direct contributions from donors and the repayment of advances made to relevant operations or activities. Should the IRA balance fall below the minimum threshold of USD 85 million, which is the average cost of three months of requirements for 2 million people, WFP will make a specific appeal to donors.

45. The IRA is an indispensable component of WFP's frontline role in the initial response to multiple crises, and facilitates adherence to the key principles of timeliness, predictability and flexibility. With the ongoing high demand for WFP to take anticipatory action in preparation for life-saving activities, the Secretariat is seeking the Board's approval for maintaining the IRA target resourcing level at USD 400 million in 2027. Meeting this fundraising target will enable WFP to continue responding decisively to the growing needs on the ground.

Section III: Programmatic context

3.1 Projected operational requirements and provisional implementation plan for 2027

Overview

46. As outlined in section I, humanitarian needs remain persistently high in 2026, driven by the combined effects of protracted conflicts, economic fragility, shocks and displacement. Volatility in oil prices and operational constraints are expected to persist in 2027, with lasting implications for the availability and affordability of food, and WFP's costs for operations. The Ebola outbreak has added a further layer of operational complexity, prompting the activation of a corporate focus emergency phase to enable the provision of coordinated and streamlined support to affected country offices for the response in the Democratic Republic of the Congo and Uganda, and advanced preparedness operations in Burundi, Rwanda and South Sudan. The emerging El Niño phenomenon is expected to exacerbate food insecurity in vulnerable regions through increased droughts, floods and disruption to agricultural production and livelihoods.

47. At the same time, the global funding environment for 2027 is constrained and unevenly distributed among donors. In this environment, WFP must continue to prioritize assistance for people facing the most severe food insecurity, while managing increasingly complex challenges affecting operations, security and access.

48. WFP's projected operational requirements for 2027 are estimated at USD 12.2 billion. As shown in figure 3.1, this represents a decrease of 7 percent compared with 2026, and a continuation of the downwards trend following the application of calibration principles[10]. Under these principles, WFP adapts its needs-based programme according to resource expectations, operational capacity and contextual constraints. If fully funded, the operational requirements for 2027 would enable WFP to assist approximately 91 million beneficiaries across its global operations. WFP maintains an operational presence in 83 country offices worldwide after the closure of its country offices in Tunisia, at the end of 2025, and the Democratic People's Republic of Korea and the Republic of Moldova in 2026, in line with the outcomes of the footprint review exercise.

49. In the constrained funding environment, WFP's provisional implementation plan for 2027 is estimated at USD 7.6 billion. The plan reflects the prioritization of operational requirements in line with expected resource availability, directing assistance to the people facing the most acute food insecurity, and the interventions that have the greatest impact on reducing humanitarian needs. Under this plan, WFP estimates that it could reach approximately 80 million beneficiaries in 2027.

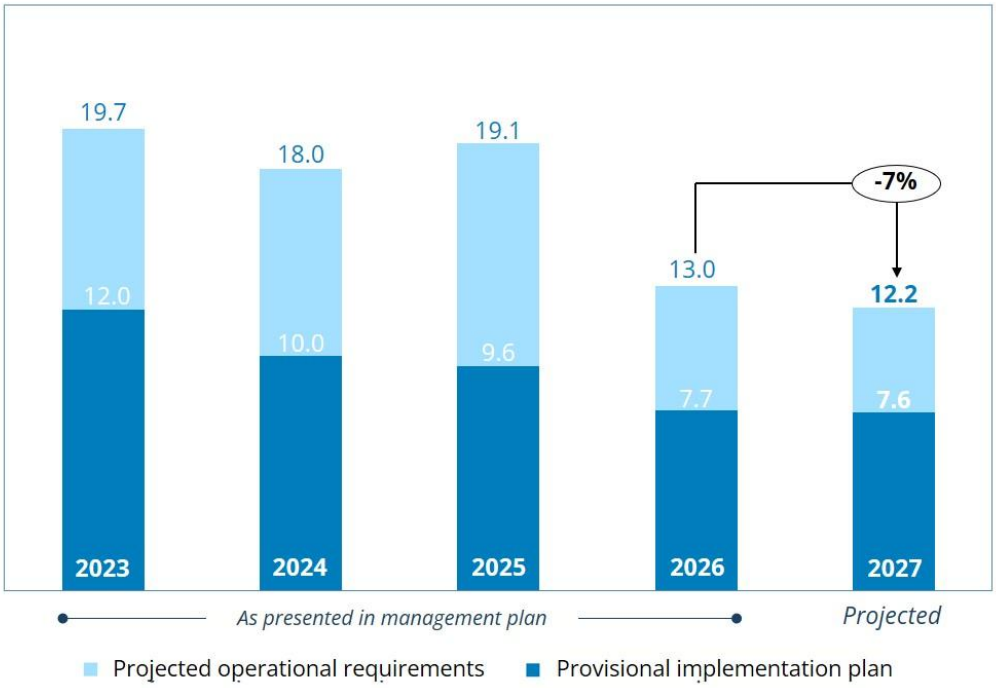
50. The USD 4.6 billion gap between projected operational requirements of USD 12.2 billion and the provisional implementation plan of USD 7.6 billion highlights the need for WFP to continue strengthening its partnerships, resource mobilization efforts and prioritization in all the dimensions of assistance, including the scale and duration of the response, and the size or value of the transfers provided. To mitigate the impact of resource constraints on affected people, WFP will continue to apply disciplined trade-offs in its programmes while strengthening its partnerships. Nonetheless, in an environment of unrelenting humanitarian

[10] Introduced in the fourth quarter of 2024, WFP's calibration guidelines support country offices in formulating focused country strategic plans and establishing realistic country portfolio needs and budgets. The 2027 projected operational requirements presented herein have been developed in accordance with these guidelines. See box 3.1 of the WFP management plan (2025–2027) for additional information.

needs, the reduction in the planned number of beneficiaries reached means that highly vulnerable people will be excluded from WFP's assistance.

51. The 2027 planning cycle is the first to be fully aligned with WFP's new strategic plan and corporate results framework for 2026–2029 which reinforce the focus on outcomes, prioritization and efficiency through the delivery of quality over quantity, reducing the dependency on recurring support for people and countries while leveraging partnerships to increase efficiency and impact. All ongoing country strategic plans (CSPs) have been realigned[11] with the new corporate results framework, while new CSPs submitted for approval have been designed under an updated framework, ensuring consistency in result structures and reporting.

Figure 3.1: Projected operational requirements and provisional implementation plan, 2023–2027 *(USD billion)*



2027 projected operational requirements

52. Projected operational requirements represent the estimated funding needed to implement all of WFP's planned operations. They include transfer costs, implementation costs, direct support costs (DSC) and indirect support costs (ISC), and are based on approved and projected programme budgets. Estimates are informed by CSPs, which have been calibrated in line with the funding outlook.

53. Total requirements for 2027 are projected to decrease by 7 percent (more than USD 800 million) compared with 2026. The reduction is not driven by improved food security conditions but rather by a projected decrease in funding, operational challenges, and persistent access constraints in countries such as the Sudan, Ukraine and Yemen, where WFP and its cooperating partners operate in complex and insecure environments. Through rigorous planning, targeting and prioritization, WFP will seek to maximize the impact of

[11] This was a technical exercise through which the lines of sight of CSPs were aligned with the new corporate results framework, and existing outcomes were mapped against the new strategic outcomes so that results can be described in terms of the new strategic plan. The outcomes, outputs, activities or any other elements of approved CSPs were not changed.

available resources and ensure that assistance reaches the people most in need, particularly those facing acute food insecurity.

54. WFP is responding to some of the world's most complex humanitarian crises, delivering life-saving assistance in highly volatile settings. Nearly 60 percent of WFP's 2027 operational requirements – or USD 7 billion – are planned for WFP's ten largest country operations (figure 3.2). Among these, operations in the State of Palestine, the Sudan, Afghanistan, the Democratic Republic of the Congo and South Sudan stand out, together accounting for 37 percent of total requirements.

55. WFP is delivering large-scale food and cash-based assistance in the State of Palestine – its largest operation, with projected operational requirements of USD 1.2 billion – providing life-saving food assistance to the most vulnerable people.

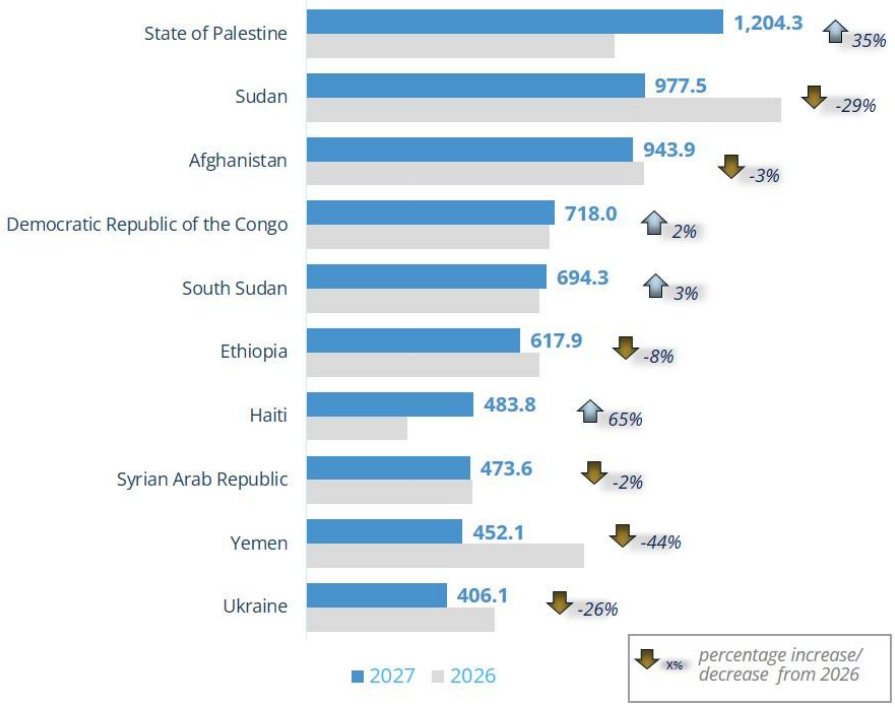
56. Operations in the Sudan are severely constrained by escalating conflict, restricted humanitarian access and supply disruptions, deepening food insecurity, market dysfunction, and acute funding shortfalls that force prioritization and reduce WFP's reach, despite the rapidly growing needs. Projected operational requirements for the Sudan in 2027 amount to USD 978 million, representing a 29 percent decrease from 2026 and reflecting WFP's intention to align its programmes with the expected resources and operational realities.

57. Afghanistan continues to endure one of the world's most severe humanitarian crises, with projected operational requirements of USD 944 million as years of economic decline, the return of large numbers of displaced people, recurrent earthquakes, and persistent drought drive record levels of hunger and malnutrition. Funding shortfalls and supply constraints continue to limit operations, leaving significant humanitarian needs unmet.

58. In the Democratic Republic of the Congo, the crisis is evolving in fragile settings already affected by conflict, displacement and high food insecurity, increasing the risk of a wider humanitarian crisis. The projected operational requirements of USD 718 million for 2027 are slightly higher than for 2026 and are expected to increase to address additional needs driven by the Ebola outbreak.

59. In South Sudan, with projected operational requirements of USD 694 million, WFP is saving lives and building resilience through food, cash-based and nutrition assistance, but escalating conflict, displacement, climate shocks and funding gaps continue to fuel severe hunger and constrain humanitarian operations.

Figure 3.2: 2027 projected operational requirements and changes from 2026, top ten country operations



2027 provisional implementation plan

60. The provisional implementation plan for all WFP operations outlines how WFP plans to prioritize the use of its limited resources to assist the beneficiaries in greatest need, taking into account operational challenges and resource constraints.

61. The provisional implementation plan, estimated at USD 7.6 billion, comprises the 2027 global contribution forecast of USD 6.3 billion, the estimated net carry-over of USD 1.15 billion, and projected revenue of USD 150 million from WFP's on-demand service provision. Should contributions fall below forecasted levels, WFP may need to further prioritize assistance, with potential implications for the number of beneficiaries reached, the rations distributed, or the duration of the support provided.

62. In December 2026, to provide a more accurate prioritized plan, country offices will prepare individual annual implementation plans for 2027 based on an updated resourcing forecast and the operational context.

3.2 Insights into projected operational requirements and the provisional implementation plan

Analysis by focus area

63. Crisis response remains WFP's core priority, accounting for USD 8.7 billion, or 72 percent of total operational requirements, and USD 5.6 billion, or 74 percent of the provisional implementation plan. Compared with the management plan for 2026, in which crisis response accounted for 74 percent of both operational requirements and the provisional implementation plan, there is a slight decrease in requirements for 2027. WFP continues to prioritize life-saving assistance and emergency preparedness in its implementation plan, despite funding reductions affecting its emergency food assistance. This prioritization helps to ensure that limited resources are directed towards the areas of highest concern, including the State of Palestine, the Sudan, Afghanistan, the Democratic Republic of the Congo and South Sudan.

64. Resilience building accounts for USD 2.9 billion, or 24 percent of total operational requirements, and USD 1.6 billion, or 22 percent of the provisional implementation plan for 2027. These activities are designed to reduce long-term humanitarian needs and are more effectively delivered through multi-year funding agreements, especially in the current constrained funding environment. In the Eastern and Southern Africa region, WFP will scale up its resilience-focused programmes while continuing to deliver its emergency response. In the Sudan, multi-year funding will help to support resilience building by restoring community assets and strengthening access to basic services, along with school meal programmes and safety nets.

65. Activities that address the root causes of chronic food insecurity and malnutrition are expected to be implemented by 37 country offices in 2027, with projected operational requirements of USD 469 million and a provisional implementation plan of USD 321 million, each representing 4 percent of their respective totals. Pakistan and Honduras are expected to implement the largest shares of these activities, together accounting for one third of the provisional implementation plan. In Pakistan, WFP will support the distribution of nutrient supplements through the stunting prevention programme. The Honduras country office will continue to support the government-led national school meal programme, including in remote and hard-to-reach areas where school meals serve as a key social protection instrument.

TABLE 3.1: PROJECTED OPERATIONAL REQUIREMENTS AND THE PROVISIONAL IMPLEMENTATION PLAN BY FOCUS AREA, 2027

Focus area	Projected operational requirements		Provisional implementation plan	
	(USD million)	*(%)*	*(USD million)*	*(%)*
Crisis response	8 746	72	5 649	74
Resilience building	2 937	24	1 630	22
Root causes	469	4	321	4
Total	**12 152**	**100**	**7 600**	**100**

Analysis by strategic outcome

66. WFP's strategic plan for 2026–2029 provides three focused, prioritized and integrated outcomes, as described below. Strategic outcomes define the medium-term effects that will contribute to the achievement of multi-agency impacts at the global and national levels:

1) *Strategic outcome 1 – effective emergency preparedness and response* – aims to meet the urgent needs of people in crisis settings. Accounting for 67 percent of operational requirements and 69 percent of the provisional implementation plan, this outcome represents the primary focus of WFP's operations in 2027. Nearly three quarters of WFP's assistance is planned for operations in the Eastern and Southern Africa region and the Middle East, Northern Africa and Eastern Europe region.

2) *Strategic outcome 2 – reduced needs and enhanced resilience to withstand shocks* – focuses on building self-reliance for communities that have experienced acute food insecurity, and accounts for 18 percent of projected operational requirements and 16 percent of the provisional implementation plan.

3) *Strategic outcome 3 – enabled government and partner programmes* – reflects WFP's work in helping governments to build or strengthen food security and nutrition programmes, and in providing services to partners. It accounts for 15 percent of both the projected operational requirements and the provisional implementation plan.

TABLE 3.2: PROJECTED OPERATIONAL REQUIREMENTS AND THE PROVISIONAL IMPLEMENTATION PLAN BY STRATEGIC OUTCOME, 2027

Strategic outcome	Projected operational requirements		Provisional implementation plan	
	(USD million)	*(%)*	*(USD million)*	*(%)*
1. Effective emergency preparedness and response	8 194	67	5 229	69
2. Reduced needs and enhanced resilience to withstand shocks	2 185	18	1 239	16
3. Enabled government and partner programmes	1 773	15	1 132	15
Total	**12 152**	**100**	**7 600**	**100**

Additional details on the programmatic plans under WFP's strategic outcomes are provided in annex VII.

Analysis by cost categories and transfer modalities

67. Table 3.3 shows WFP's four transfer modalities and the associated costs of each.

TABLE 3.3: PROJECTED OPERATIONAL REQUIREMENTS AND THE PROVISIONAL IMPLEMENTATION PLAN BY TRANSFER MODALITY, 2027

Cost category		Projected operational requirements		Provisional implementation plan	
		(USD million)	*(%)*	*(USD million)*	*(%)*
Transfers (transfer value and transfer costs)	Food	3 967	40	2 380	40
	Cash-based transfers and commodity vouchers	4 477	45	2 719	44
	Capacity strengthening	934	9	643	10
	Service delivery	556	6	388	6
Total transfer costs		**9 934**	**100**	**6 130**	**100**
Implementation costs		892		560	
Total direct operational costs		**10 826**		**6 690**	
Direct support costs		594		455	
Total direct costs		**11 420**		**7 145**	
Indirect support costs		732		455	
Total		**12 152**		**7 600**	

Transfer costs

Food transfers

68. In 2027, in-kind food assistance will account for 40 percent of both projected operational requirements and the provisional implementation plan, down from 46 percent of requirements and 47 percent of the plan in 2026. Eastern and Southern Africa, and the Middle East, Northern Africa and Eastern Europe will be the primary regions where WFP provides food assistance, together accounting for 64 percent of projected operational requirements and the provisional implementation plan. To fulfil its food requirements, WFP will continue to rely largely on local and regional markets, which together are expected to account for 52 percent of the total tonnage purchased.

69. Global food prices are expected to face continued upwards pressure owing to supply constraints, adverse weather conditions and elevated costs. The anticipated effects of El Niño may reduce cereal production and reduce the availability of key commodities, particularly wheat and maize, while high fertilizer and fuel prices may further constrain production and yields. Shipping costs are expected to remain volatile owing to market conditions, regulations and geopolitical risks. Although additional shipping capacity may ease some of the pressure, bulk and break-bulk freight rates will remain exposed to fluctuations in the demand for commodities and regional imbalances, reinforcing the need for careful planning and diversified sourcing, routes and carriers.

70. To mitigate these risks and increase the efficiency of its operations, in 2027 WFP will continue leveraging the Global Commodity Management Facility (GCMF). When buying through the GCMF, country offices receive food 70 percent faster than through direct procurement and delivery; in 2025, it is estimated that 10.8 million people received food rations on time thanks solely to the reduced lead-time enabled by this mechanism. By expanding the reach of the facility in 2027, these benefits could be extended to more countries and commodities, with WFP focusing on seasonal food purchases from local and regional markets in order to reduce its reliance on off-season procurement and more costly and lengthy import procedures.

71. In 2027, WFP will continue to invest in innovative planning and optimization solutions for supply chains, such as Scout, Prisma, Optimus and Route the Meals; these tools enabled USD 11.8 million in efficiency gains in 2025, which are projected to double when the tools are rolled out at a global scale. Under the digital business transformation plan, WFP will increase the use of AI to strengthen demand forecasting and scenario planning and to automate data-intensive processes. Building on the roll-out of track-and-trace systems, further integration of digital solutions into procurement, shipping, logistics and distribution processes will improve the visibility of supply chains, inventory management, and reporting on household-level distribution, strengthening the efficiency, transparency and auditability of food transfers.

Cash-based transfers and commodity vouchers

72. Cash-based transfers (CBTs) and commodity vouchers are central to WFP's work. Given its potential to enhance flexibility and dignity for affected people, cash-based assistance is WFP's preferred modality where markets function and conditions allow. This is reflected in table 3.3, where CBTs and commodity vouchers account for larger shares of both projected operational requirements and the provisional implementation plan than in previous years. This is part of a continuing trend, and underscores WFP's agility in selecting transfer modalities and is in line with sustained donor support and advocacy for cash-based responses.

73. Continued funding constraints, as reflected in the gap between operational requirements and the provisional implementation plan, require more targeted use of these modalities, with country offices prioritizing the most appropriate and impactful modality, taking into consideration market conditions, access and operational risks.

74. WFP will focus on improving efficiency and strengthening delivery through more deliberate selection of delivery mechanisms and payment solutions, with a continued shift towards digital cash solutions that use beneficiaries' banking accounts, where feasible. Attention will be given to ensuring that delivery systems are accessible to people facing barriers such as limited internet connectivity, gaps in personal documentation or restricted access to financial services.

75. Continued progress in strengthening identity management and digital systems will further enhance efficiency, transparency and scalability, supported by strengthened assurance measures, including validation and reconciliation.

Capacity strengthening

76. WFP's capacity strengthening programmes are delivered at the household, community and institutional levels to enhance people's knowledge, skills and behaviour, along with organizational systems and the broader policy environment. They are implemented through the delivery of technical and advisory support, social and behaviour change initiatives, and the provision of tools, equipment and knowledge products.

77. In 2027, capacity strengthening interventions will continue to expand as a share of WFP's total transfers, representing 10 percent of the provisional implementation plan. This reflects WFP's commitment to promoting communities' self-reliance, transferring programmes to national and local actors, and strengthening national systems so that they can scale and sustain food and nutrition assistance for people in need. This investment in capacities will support national and local systems and communities in designing, delivering and sustaining services more independently over time, reducing their reliance on external aid and contributing to lasting reductions in hunger.

Service delivery

78. WFP's mandated and on-demand services support the humanitarian and development community's ability to function effectively, particularly in complex and under-resourced operating environments. Mandated services, delivered through UNHAS, the United Nations Humanitarian Response Depot (UNHRD), and the logistics and emergency telecommunications clusters, account for 67 percent of the service delivery modality in the 2027 provisional implementation plan, with UNHAS continuing to provide the backbone of humanitarian transport to remote and hard-to-reach locations. Beyond its mandated role, WFP makes its operational expertise available to governments, regional institutions and humanitarian and development partners on a cost-recovery basis.

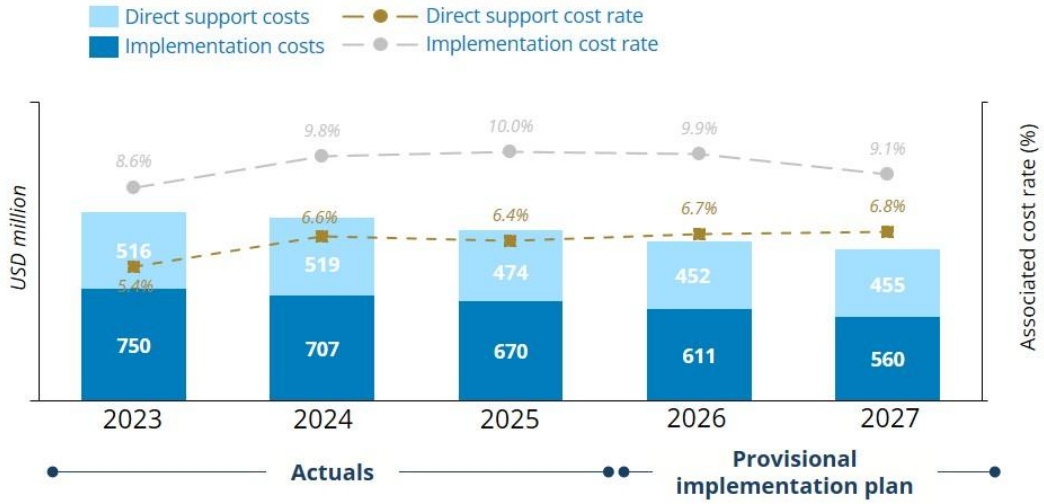
79. WFP's provision of on-demand services is expected to continue in 2027, with more than 40 countries relying on WFP's support, reflecting the sustained demand for WFP's operational capacity from governments and partners. On-demand services account for 33 percent of the service delivery modality under the provisional implementation plan.

80. In 2027, the demand for services provided by WFP is expected to increase owing to persistent funding constraints and the United Nations system-wide push for greater operational efficiency. This push includes the organization's expected participation in the UN80 integrated supply chain approach, as other organizations explore how to streamline costs by leveraging established systems and expertise – including WFP's on-demand services – rather than maintaining parallel capacity.

Implementation costs

81. Implementation costs cover the costs of implementing specific programmes and include the design, targeting, monitoring and assessment of programmes to ensure their quality. The costs of maintaining field offices, programme staff and programme equipment, among other costs that can be attributed to individual activities and strategic outcomes, fall into this category. Implementation costs are projected at USD 560 million in the provisional implementation plan for 2027, representing 9.1 percent of the total transfer costs. Some of WFP's largest operations that face challenging operating environments – such as those in the Sudan, South Sudan, Somalia, Afghanistan and the Democratic Republic of the Congo – together account for a third of all implementation costs. The projected costs ensure that sufficient implementation capacity is maintained to support programme quality and accountability at the country level.

Figure 3.3: Implementation costs and direct support costs, 2023–2027



Direct support costs

82. DSC are managed at the country level and directly support multiple activities related to the transfer of assistance and the implementation of programmes.

83. DSC are projected at USD 455 million in the provisional implementation plan for 2027, representing 6.8 percent of direct operational costs, which include transfer and implementation costs. The DSC rate is based on the size of the operation, the modalities used, the operational setting and the local economic environment, and ranges widely among countries. In 2027, DSC will continue to support the enabling functions required for effective programme implementation, including oversight, coordination and administrative support at the country level.

Indirect support costs

84. Total operational requirements include ISC calculated using the current Board-approved ISC rate of 6.5 percent, which is applied to all CSP budgets apart from those for on-demand service provision. Section IV of this document describes the ISC rate.

3.3 Intensity of assistance

85. WFP plans its operational requirements so as to provide the most appropriate assistance possible to the people it serves. However, owing to a growing funding gap, WFP has been forced to reduce the number of beneficiaries whom it can assist, the duration of its provision of assistance, and/or the size or value of its transfers. These decisions are primarily

programmatic and operational in nature, but they have an impact on the cost per beneficiary of the assistance provided.

86. The planned operational requirements for 2027 will allow WFP to provide assistance for approximately 91 million beneficiaries. The estimated cost per beneficiary in the provisional implementation plan is based on assumptions of the prioritization decisions that country offices will make regarding the numbers of beneficiaries reached, the duration of the assistance and the transfer values, optimizing the use and impact of resources. Under this scenario, WFP is expected to assist an estimated 80 million beneficiaries – 12 percent fewer than under the operational requirements. Table 3.4 shows that the average annual cost per beneficiary in 2027 is estimated at USD 96 under the operational requirements, and USD 77 under the provisional implementation plan – 20 percent lower than under the operational requirements owing to the reduced funding outlook.

87. Such a gap in the annual cost per beneficiary corresponds to adjustments in the ration sizes and periods of assistance for the reduced number of beneficiaries reached. The main component of the annual cost per beneficiary is the transfer, comprising the sum of the monetary value of the food items, cash or services provided. In 2027, transfers are expected to account for 82 percent of total operational requirements and 81 percent of the total provisional implementation plan.

88. More information on the intensity of assistance can be found in annex VII.

TABLE 3.4: PROJECTED OPERATIONAL REQUIREMENTS AND THE PROVISIONAL IMPLEMENTATION PLAN – ANNUAL COST PER BENEFICIARY, 2027

Indicator	Projected operational requirements	Provisional implementation plan
USD value*	12.2 billion	7.6 billion
Projected beneficiaries**	91 million	80 million
Annual cost per beneficiary**	USD 96	USD 77

* The total operational requirements and the provisional implementation plan shown here include capacity strengthening and service delivery activities, which do not always result in direct transfers to tier 1 beneficiaries.

** The projected beneficiaries and annual cost per beneficiary presented here for the provisional implementation plan represent an implementation scenario that includes assumptions on the prioritization decisions that country offices will make regarding the numbers of beneficiaries reached, the duration of the assistance provided, and the transfer size that will enable them to optimize their use of resources.

3.4 Cross-cutting priorities

89. The strategic plan for 2026–2029 outlines seven cross-cutting priorities that are key areas of focus for WFP's programmes: nutrition; the empowerment of women and girls; protection and accountability; environmental sustainability; humanitarian principles and conflict sensitivity; localization; and assurance. They embody WFP's commitment to programme quality in all operational settings, and aim to improve the outcomes of operations for beneficiaries. Activities for advancing the cross-cutting priorities in 2027 include support for country offices in:

- strengthening WFP's approach to nutrition in crises in order to enhance the continuum of care, especially for women and children;
- expanding integrated cross-cutting or standalone analysis, including on topics related to the needs of women, girls, men and boys – with and without disabilities – women's empowerment, conflict sensitivity, protection, and gender-based violence;

- increasing the use of digital platforms and tools to strengthen assurance – track-and-trace solutions such as digital packing lists, digital stack cards, the cooperating partners' stock management solution, the beneficiary and transfer management platform SCOPE in-kind, integration with existing systems, and Partner Connect;
- integrating consideration of environmental sustainability into programme design and delivery, including through climate risk-informed planning and sustainable operational practices;
- embedding context analysis, conflict-sensitivity assessments and risk-informed decision-making into programme design; and
- promoting localization by strengthening the leadership, decision-making and ownership of national and local actors, while supporting stronger national systems and more locally led responses.

90. The cross-cutting priorities are measured through the corporate results framework, periodic evaluations and oversight mechanisms.

Cross-cutting priorities in the strategic plan for 2026–2029

Following the approval of the strategic plan for 2026–2029, country offices have started to integrate the updated cross-cutting priorities into their CSPs. Under this strategic plan, WFP will increase the number of its cross-cutting priorities from four to seven:

- Enabling nutrition and healthy diets.
- Empowering women and girls, and advancing equality.
- Ensuring protection and accountability to affected people.
- Integrating environmental sustainability.
- (New) Embedding humanitarian principles and conflict sensitivity.
- (New) Promoting localization.
- (New) Mainstreaming assurance.

The addition of the three new priorities underscores WFP's commitment to co-developing programmes and activities with governments and communities, while enhancing the effectiveness and accountability of its assistance. The embedding of humanitarian principles and conflict sensitivity into its programme design reflects WFP's recognition of the increasingly complex operational environments in which it works, and the need to ensure that assistance is delivered in a principled, context-sensitive and conflict-aware manner.

Section IV: Programme support and business operations

4.1 Overview

91. WFP's projected operational requirements for 2027 amount to USD 12.2 billion, representing the full cost of implementing approved country strategic plans (CSPs) and the associated support requirements worldwide. Against this backdrop, WFP expects to have a provisional implementation plan of USD 7.6 billion, reflecting the continued gap between humanitarian needs and the resources available to meet them. In response, the organization has continued to adapt its operating model, workforce structure and resource allocation to ensure that limited resources are directed to the areas where they will have the greatest operational impact, while maintaining financial sustainability.

92. Within the projected operational requirements are activities managed at global headquarters that directly and indirectly support programme delivery, operational effectiveness, governance and accountability in country offices. These activities also provide critical support for trust funds, special accounts and other extra-budgetary mechanisms that enable WFP's broader mandate. Collectively, the activities are referred to as "programme support and business operations". The total budget for programme support and business operations is projected to increase by 5 percent compared with 2026, driven primarily by strategic investments funded through critical corporate initiatives (CCIs), the continued expansion of the individual giving special account, and growth in direct activities financed through special accounts, including identity management, global vehicle leasing and logistics services.

93. The largest component of programme support and business operations is the programme support and administrative (PSA) budget, which finances the essential indirect activities required to support country operations, maintain corporate systems and infrastructure, meet governance and fiduciary obligations, and preserve the institutional capabilities necessary for WFP to deliver at scale. Consistent with guidance from the leadership team regarding the need for WFP to operate within the available means, the proposed PSA budget for 2027 is USD 366.4 million, representing a 4 percent reduction from the 2026 approved level, and fully aligned with projected indirect support cost (ISC) income. The budget reflects deliberate prioritization decisions rather than across-the-board reductions, protecting frontline delivery and critical corporate functions while continuing WFP's transition towards a leaner, more integrated and efficient operating model.

94. In parallel, WFP proposes strategic allocations of USD 108.9 million from reserves and fund balances to support investments that strengthen the organization's future effectiveness, resilience and financial sustainability. These investments focus on operational excellence, duty of care to employees, digital transformation, artificial intelligence (AI), innovation, resource mobilization and diversification, and WFP's contribution to the broader UN80 reform agenda. The objective is not only to manage current financial pressures, but also to position WFP to operate more efficiently, generate productivity gains, enhance decision-making and deliver greater impact in an increasingly constrained funding environment.

95. Programme support and business operations are organized into three categories: baseline activities, direct activities, and other services. *Baseline activities* encompass the recurring and strategic investments required to deliver the annual implementation plan and fulfil institutional responsibilities. *Direct activities* are linked to the drivers of operations such as employee numbers, transaction volumes, logistics services and commodity movements, and therefore fluctuate in line with implementation levels. *Other services* reflect primarily the administrative and management support provided by WFP to external entities, including the African Risk Capacity and the School Meals Impact Accelerator. Together, these categories of

operation provide the essential systems, capabilities and services that enable WFP to deliver humanitarian assistance effectively, efficiently and with accountability around the world.

TABLE 4.1: WFP BUDGET, PROVISIONAL IMPLEMENTATION PLAN *(USD million)*

Year	WFP budget	Provisional implementation plan	Programme support and business operations, 2026 and 2027					
			Baseline activities				Direct activities	Other services
			PSA	CCIs	Trust funds, special accounts and other funding sources	Total		
2027	12 152	7 600	366.4	52.5	183.6	602.5	113.3	39.2
2026*	13 043	7 700	380.0	38.8	159.9	578.7	100.5	39.8

* As approved in the management plan for 2026–2028.

4.2 Baseline budget

96. In 2027, the baseline budget will remain broadly similar to the 2026 level, increasing by approximately 4.1 percent. The PSA budget will continue to account for the largest share of the total baseline budget, at about 61 percent. This represents a decrease of approximately 4.9 percentage points in its overall share compared with the planned level for 2026, reflecting continued efforts to streamline and prioritize PSA allocations, along with a sustained emphasis on cost containment.

97. The share of CCIs in the total baseline budget is projected to increase from 6.7 percent in 2026 to 8.7 percent in 2027. This increase is attributable primarily to allocations approved in previous years for ongoing CCIs, and additional funding for new initiatives.

98. The increase of USD 23.7 million in the share of trust funds, special accounts and other funding sources is driven mainly by expanded planning under special accounts, for USD 18.8 million – mainly for the individual fundraising programme – and other funding sources, which increase by USD 12.2 million compared with 2026. In contrast, planned baseline expenditures under trust funds are expected to decline by USD 7.3 million, owing to lower-than-anticipated donor contributions, particularly for activities in the area of food security and nutrition.

Management results and budget principles

99. The strategic plan for 2026–2029 has informed the development of the management plan, including the consolidation of the budgetary and results frameworks into a single "resources-to-results" framework. The management plan for 2027–2029 continues to apply this approach, aligning appropriation lines with management results; including outputs with key performance indicators (KPIs) for each management result; and incorporating the strategic plan enablers and their KPIs into the plan (see annex I).

100. Both external and internal factors shape WFP's strategic and financial choices, requiring continued prioritization, operational agility and disciplined stewardship of resources. The 2027 budget is guided by a disciplined and strategic prioritization approach, reflecting the organization's commitment to aligning resources with a more constrained funding outlook while safeguarding its capacity to deliver for the people it serves. Rather than applying uniform reductions, resources have been recalibrated towards essential functions that sustain programme delivery, operational effectiveness, workforce sustainability, financial stewardship, and the long-term sustainability of resources. The budget also supports WFP's

broader transformation agenda, including the strengthening of integrated support for countries, improved cost recovery and financial oversight, streamlined systems and platforms, and the continued rebalancing of resources closer to where impact is delivered. Overall, the approach reflects a deliberate reprioritization that protects frontline delivery while preserving the critical corporate functions and enabling services required for an effective, accountable and efficient organization.

Figure 4.1: Baseline budget by management result

101. The distribution of the baseline budget among the management results, presented in figure 4.1, reflects WFP's strategic allocation of resources to the functions and capabilities required to achieve planned results and sustain effective delivery.

102. *Management result 1,* "Strategic direction and management", represents 17 percent of the baseline budget and provides the foundation for WFP's strategic leadership, corporate management, and results-based decision-making. It ensures that the organization remains well directed, accountable and capable of delivering principled humanitarian action in line with corporate priorities. A decrease of 2.1 percentage points in the overall share of the baseline budget under this management result, compared with 2026, is driven primarily by a reduction of approximately USD 3.7 million in CCI-funded activities. The decrease also reflects the strategic reprioritization of PSA funding by several divisions in the Programme Operations Department and the Partnerships and Innovation Department, and by the Communications Division's prioritization of management results 2 and 3. As a result, PSA allocations under management result 1 decline by approximately USD 3.7 million. This shift is in line with WFP's 2027 corporate priorities, with increased emphasis on strengthening operations and partnerships.

103. Consistent with previous years, the largest share of the baseline budget is allocated to *management result 2,* "Efficient, effective and evidence-based business services", which represents 52.4 percent of the total. This reflects the central importance of the operational systems, infrastructure and enabling services that allow WFP to deliver assistance efficiently, with accountability, and at scale. The allocation supports core capabilities in emergency coordination, including the leadership of global clusters, and rapid-response mechanisms, along with supply chain services that ensure the timely, cost-effective and coordinated movement of goods in support of humanitarian operations. A marginal increase of 0.3 percentage points in the share of the baseline budget allocated to this management result is attributable primarily to the additional USD 12.3 million in CCI funding directed to this area, resulting in a modest increase in its overall budget share.

104. *Management result 3,* "Influential advocacy and communications for effective partnerships and resource mobilization", accounts for 24.4 percent of the baseline budget, underscoring the strategic importance of positioning WFP as a credible and influential voice on hunger and food security. This allocation supports the organization's ability to engage partners, communicate results and mobilize the resources required to fulfil its mandate in an increasingly complex funding environment. The share of the baseline budget allocated to management result 3 increases by 2.3 percentage points compared with 2026, driven primarily by an increase in allocations from the individual fundraising special account.

105. *Management result 4*, "Robust governance and independent oversight", accounts for 6.2 percent of the baseline budget, reflecting WFP's continued commitment to ensuring integrity, transparency and accountability. This allocation supports the governance and independent oversight functions needed to safeguard organizational performance, manage risks and maintain trust among stakeholders. While the share of PSA funding allocated to this management result remains stable, at 10 percent of total PSA resources in both 2026 and 2027, its share of the overall baseline budget decreases by approximately 0.5 percentage points. This is because the PSA budget continues to be the primary funding source for functions associated with this management result, while the overall baseline budget expands as a result of increases from other funding sources, as noted above.

4.3 Programme support and administrative budget

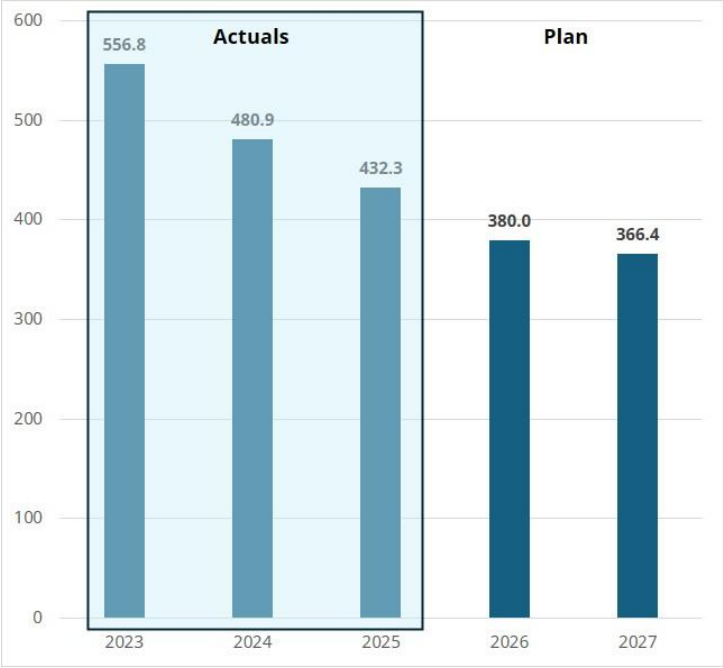
106. The proposed PSA budget for 2027 is USD 366.4 million, USD 13.6 million less than in 2026 and USD 65.9 million less than actual PSA expenditure in 2025. The decreases reflect strategic prioritization that safeguards frontline delivery and focuses resources where they can have the greatest operational impact.

107. The PSA budget is financed through the ISC rate applied to WFP contributions, which the Board approves each year. For 2027, the Secretariat proposes that the ISC rate be maintained at 6.5 percent, with specific exceptions allowing a reduced rate of 4 percent under conditions previously endorsed by the Board. On this basis, 2027 ISC income is projected at USD 366.4 million.

108. In 2026, WFP drew USD 15 million from the PSA equalization account (PSAEA) – the organization's reserve that records the difference between ISC revenue and PSA expenditures – to close the funding gap and finance the proposed PSA budget of USD 380 million in full. For 2027, the approach involves further adjustments aimed at supporting operations with the available resources while preserving reserves for only essential strategic investments.

109. The PSA budget has been progressively reduced in line with the decrease in operational activity, as illustrated in figure 4.2. The reduction has been managed carefully to ensure continued support for operations; to deliver on governance and oversight responsibilities; and to ensure that WFP works within its risk appetite.

Figure 4.2: Evolution of the programme support and administrative budget, 2023–2027 *(USD million)*



110. Considering the global funding outlook, and building on efforts in previous years to stabilize the corporate budget at an appropriate level while operating within the available means, the 2027 planning process targeted a break-even PSA budget of USD 366.4 million. The proposed budget represents a balanced outcome that protects frontline delivery, preserves critical corporate functions, and supports WFP's continued strengthening of country-level delivery and impact. To achieve this, rather than applying uniform reductions across the organization, WFP adopted a strategic prioritization approach that directs the available resources to the activities that deliver the greatest operational and organizational impact.

111. Achieving the proposed break-even PSA level has required strategic trade-offs and further consolidation of services to safeguard operational delivery. Consequently, the impact is not uniform across the organization, with reductions varying according to business needs, opportunities for efficiencies, and the extent to which activities can be streamlined or centralized. The largest reductions are in the Workplace and Management Department, with a 7.4 percent decrease compared with 2026. To align with the lower PSA level, the department is consolidating internal enabling functions previously distributed among its divisions, enabling more standardized and streamlined service delivery and greater economies of scale. The PSA budget for the Deputy Executive Director and Chief Operating Officer Department is reduced by 6.5 percent, reflecting efficiencies achieved through greater reliance on centralized support provided by divisions from headquarters in Rome to regional directors' offices, including in areas such as private partnerships activities. The budget allocation for the Partnership and Innovation Department is reduced by 3.7 percent, while that for the offices of the Executive Director and Chief of Staff is reduced by 2 percent. More details can be found in the subsection on the Programme support and administrative budget by organizational unit.

Executive Director's authority to implement changes to the programme support and administrative budget

112. To provide the agility to adjust indirect support when operational levels increase or decrease, while encouraging fiscal discipline, previous management plans have included a decision that authorizes the Executive Director to implement changes to the PSA budget within certain parameters.

113. In case of an increase in the contribution forecast and ISC income, the Executive Director can adjust the PSA budget at a rate not to exceed 2 percent of the anticipated increase in that forecast. If the contribution forecast and ISC income are lower than expected, the Executive Director is authorized to reduce the PSA appropriation by up to 10 percent by implementing cost-saving measures, as feasible.

Programme support and administrative budget by appropriation line

114. Table 4.2 provides an overview of the proposed PSA budget by appropriation line – or management result. The Board is requested to approve the PSA budget at the appropriation line level.

TABLE 4.2: PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET BY APPROPRIATION LINE/MANAGEMENT RESULT, 2026 AND 2027

PSA appropriation line/management result	**2027 *(USD million)***	**2026 *(USD million)***	**Change**	
			(USD million)	***(%)***
1. Strategic direction and management	90.8	94.5	(3.7)	(4)
2. Efficient, effective and evidence-based business services	170.2	176.9	(6.7)	(4)
3. Influential advocacy and communications for effective partnerships and resources mobilization	69.1	71.3	(2.2)	(3)
4. Robust governance and independent oversight	36.3	37.3	(1.0)	(3)
Total	**366.4**	**380.0**	**(13.6)**	**(4)**

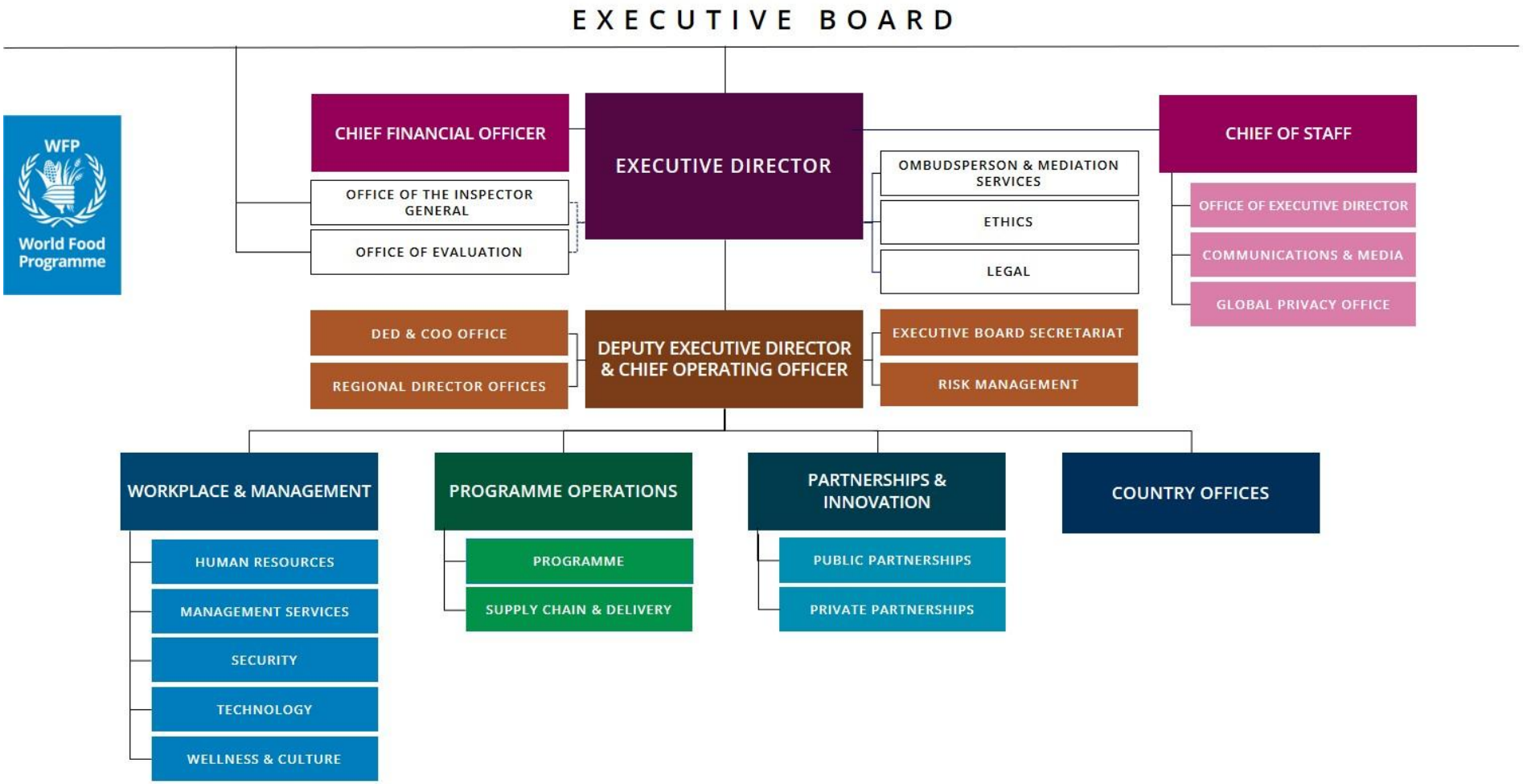
115. *Appropriation line 1*, "Strategic direction and management", accounts for 25 percent of the PSA budget, reflecting WFP's continued investment in organizational leadership, oversight and accountability. This allocation supports strategic direction and operational coordination that strengthens programme excellence, the coordination and monitoring of the implementation of the strategic plan, and the mainstreaming of change management initiatives. It also contributes to enhanced management oversight, financial governance and reporting, digital governance and assurance, and the ongoing transformation of financial management processes. In addition, the funding supports stronger enterprise risk management, internal controls and assurance processes that promote ethical standards and compliance, enable engagement in governance processes, and leverage innovation and AI-enabled approaches for improving risk analysis, decision-making and organizational resilience.

116. *Appropriation line 2*, "Efficient, effective and evidence-based business services", represents almost half – 46 percent – of the PSA budget and supports WFP's operational efficiency and programme delivery in field operations. This allocation funds food security analysis, emergency preparedness and response, and the evidence-based decision-making that guides the design, targeting and delivery of programmes. It is also used to strengthen the planning and implementation of programmes, and performance management – including through support for nutrition, school meal, social protection and climate resilience programmes – while helping to improve programme quality and accountability in country offices. Investments in supply chain services enhance operational readiness through logistics support and procurement, shipping and assurance mechanisms that support the timely and efficient delivery of assistance. The funding also contributes to workforce management, staff well-being and duty of care through medical, talent management and conflict-resolution services. It strengthens digital operations through reliable technology services, cybersecurity, data protection and the delivery of digital solutions that support programme implementation and business continuity throughout the organization. The appropriation line also covers administrative, financial and facilities services that underpin efficient corporate operations and provide the foundation for effective and accountable service delivery throughout WFP.

117. *Appropriation line 3,* "Influential advocacy and communications for effective partnerships and resource mobilization", accounts for 19 percent of the PSA budget and reflects the importance of securing diversified funding, stakeholder engagement, and WFP's positioning at the global, regional and country levels. This allocation strengthens WFP's visibility, credibility and leadership on food security through strategic communications, reputation management, donors' visibility, advocacy and internal communications. It also supports engagement with government donors, international financial institutions (IFIs), programme countries and multilateral partners, and is aimed at protecting, diversifying and growing public-sector contributions through donor stewardship, policy dialogue and targeted resource mobilization. In parallel, it expands partnerships with corporations, foundations, non-governmental organizations, philanthropists and individual supporters to generate sustainable and diversified private sector funding. Resources are also used to support high-level engagement with key government stakeholders aimed at sustaining WFP's largest donor relationships and strengthening its influence in United Nations reform processes, multilateral policy discussions and inter-agency platforms. In addition, funding enables regional representation, humanitarian diplomacy, partnership development and fundraising efforts that help country offices to secure resources, strengthen stakeholder engagement and advance operational objectives.

118. *Appropriation line 4*, "Robust governance and independent oversight", represents 10 percent of the PSA budget and reflects WFP's commitment to transparency, accountability, effective governance and independent assurance. This allocation supports independent audit, investigation, inspection and advisory services that strengthen governance, risk management, internal controls, accountability and organizational integrity in WFP operations. It also funds independent, credible and high-quality evaluations that inform strategic decision-making, strengthen accountability, promote learning and evidence-based programming, and build evaluation capacity in global headquarters and country offices. In addition, it supports the Board's governance functions through the provision of advice on governance, Board documentation, and coordination with oversight bodies. Together, these investments ensure the governance, assurance and evaluative evidence needed to support sound decision-making, organizational accountability and the effective stewardship of WFP's resources and operations.

Figure 4.3: WFP's organizational structure



May 2026

Organizational structure of the Secretariat and internal reorganization

119. As shown in figure 4.3, WFP's organizational structure, headed by the Executive Director, is divided into the following interrelated areas: the workplace and management, programme operations, and partnership and innovation departments, country offices and regional directors' offices, which report to the Deputy Executive Director; and the offices of the Deputy Executive Director and Chief Operating Officer, Chief of Staff, Chief Financial Officer and independent oversight, which report to the Executive Director.

120. The structure is based on the two-layer corporate structure implemented in May 2025, and represents WFP's organizational structure as of May 2026.

121. Since WFP's global headquarters was restructured in 2025 – integrating headquarters and the six regional bureaux into one global headquarters, with a headquarters office in Rome and five regional offices – WFP has reduced duplication through structural consolidation and the use of integrated teams and shared or pooled resources, promoting the efficient use of resources and ensuring a focus on supporting operations.

122. WFP's global workforce stood at just over 22,000 employees at the beginning of 2025 and had declined to just above 18,500 by June 2026. Positions funded by the PSA budget fell particularly sharply, following the recruitment pause and measures introduced since 2023 to align staffing levels with available funding. Overall, PSA-funded positions decreased by 42 percent compared with the number planned in the original management plan for 2024–2026, and by 27 percent since 2025.

123. The reduction in expenditures reflects the lower approved annual PSA budget and the move towards a leaner global headquarters. Compared with 2025 PSA budget expenditures, the proposed 2027 budget is USD 65.9 million lower. The largest decrease is in staff costs, down by USD 41.8 million, followed by reductions of USD 10.6 million in services from and contributions to other United Nations entities, USD 7.8 million in commercial consultancy service, USD 5.8 million in consultancy and temporary assistance and USD 5.2 million in communication and IT services.

Programme support and administrative budget by organizational unit

124. Table 4.3 presents the proposed 2027 PSA budget of USD 366.4 million by organizational unit, compared with 2026. Consistent with guidance from the leadership team, resources have been prioritized to the essential functions that sustain frontline delivery and organizational effectiveness, reflecting a deliberate reprioritization rather than across-the-board reductions. The three organizational units with the largest PSA budgets in 2027 are the Programme Operations Department, the Executive Director and Chief of Staff Department and the Workplace and Management Department.

TABLE 4.3: PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET BY ORGANIZATIONAL UNIT, 2026 AND 2027				
Department	**2027**		**2026**	
	(USD million)	***(% of total)***	***(USD million)***	***(% of total)***
Country offices	53.1	14	55.2	14
Executive Director and Chief of Staff	76.4	21	77.9	20
Deputy Executive Director and Chief Operating Officer*	27.4	8	29.3	8
Programme Operations	77.1	21	76.4	20
Partnerships and Innovations	31.4	9	32.6	9
Workplace and Management	69.9	19	75.5	20
Central Appropriations	31.1	8	33.1	9
Total	**366.4**	**100**	**380.0**	**100**

* Including regional director offices.

Country offices

125. The PSA budget for country offices covers the costs that are not directly attributable to operations. For 2027, the PSA budget for country offices includes USD 53.1 million for the minimum office structure, with allocations varying according to the size of the office and covering the costs of the Country Director, a national staff assistant, a driver and basic office running costs. Basic office running costs have been estimated at an average of about USD 200,000 per office per year, with small country offices receiving PSA to cover 100 percent of their costs, medium-sized country offices receiving 70 percent, and large country offices 50 percent.

126. The 3.8 percent reduction in the PSA budget for country offices reflects WFP's transition to a non-resident agency status in the Democratic People's Republic of Korea, Eritrea, the Republic of Moldova and Tunisia, and some reclassification in the grade of country director positions. WFP will continue seeking to maximize the impact from the available global resources by ensuring the right level of country presence at a reasonable level of investment, enabling the delivery of life-saving assistance and longer-term solutions to hunger for the vulnerable people it serves.

Executive Director and Chief of Staff Department

127. In 2027, the offices of the Executive Director and the Chief of Staff will continue to provide leadership and governance, and to drive organizational coherence amid resource constraints in a volatile funding environment. Together, the offices will promote organizational resilience, accountability and effective decision-making, ensuring that WFP remains agile, principled and fit for purpose.

128. While improving efficiency and cost-effectiveness, the offices will prioritize funding for preserving the essential services offered by the offices of the Executive Director and the Chief of Staff, the independent offices, the Legal Office, the Chief Financial Officer Division, the Global Privacy Office and the Communications and Media Office. They will safeguard the key accountability, oversight and strategic coordination functions required to enable WFP to deliver on its mandate in an increasingly complex operational and funding environment.

129. The departmental budget provides adequate funding for the independent offices, reflecting a balanced approach to WFP's "three lines model".[12] Compared with 2026, the budgets of the Office of the Inspector General (OIG) and the Office of Evaluation (OEV) decrease by between 3.1 and 3.5 percent. OIG plans to implement cost-containment measures aimed at strengthening impact, effectiveness and value for money, while OEV confirms its readiness to maintain its 2027 evaluation work plan.

130. The Office of the Chief of Staff will continue to enable effective executive leadership by providing strategic, operational and administrative support to the Executive Director. It will further optimize service delivery through disciplined prioritization, guided by strategic priorities and risk considerations so as to minimize disruption, maintain quality and accountability, and support WFP's leadership and mission delivery.

Deputy Executive Director and Chief Operating Officer Department

131. The Deputy Executive Director and Chief Operating Officer Department will continue to align WFP's global strategy, governance, budget, operational capabilities and enabling capacity in support of country-level programme implementation. The divisions and offices will prioritize WFP's global positioning, informed strategic decision-making, two-way information flow, clear accountabilities, and shared risk management between headquarters and country offices in an increasingly complex operating environment. It will also strengthen cross-departmental and cross-functional coordination to ensure that corporate priorities, resources and operational support are effectively linked to country offices' needs.

132. Regional directors' offices will continue to play a central role in driving consistency and coherence between global strategy and country-level implementation. Their priorities will include positioning at the regional level, informed decision-making, effective information flow, clear accountabilities, and shared risk management with country directors, while ensuring coordinated support on region-specific priorities. This role will be critical in maintaining alignment throughout WFP and supporting country offices in the delivery of programmes.

133. In response to financial constraints, the Deputy Executive Director and Chief Operating Officer Department will further optimize resources and simplify processes, including through the use of AI and technology. Continuous review of the department will assess future needs and support continued streamlining to improve efficiency and the way WFP works.

Programme Operations Department

134. Consistent with the organization's priority of safeguarding frontline delivery and support for country offices, and in recognition of the reductions implemented by the Programme Operations Department under the 2026 restructuring exercise, the department was protected from further budget reductions in 2027. The budget is, in fact, slightly higher than in 2026 as a result of inflationary increases in WFP's corporate cost parameters for 2027, which will reduce the purchasing power of the available resources and, consequently, overall departmental capacity.

135. The department will continue to drive operational excellence by providing strategic guidance, data analysis, cross-functional support, tools and quality assurance that promote the delivery of effective, efficient and innovative programmes for the most vulnerable people, while strengthening resilience and national systems where appropriate.

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[12] The three lines model is a risk management and governance framework based on the "three lines" of operational management, risk management and compliance, and internal audit. For further information, please refer to WFP accountability and oversight framework.

136. In line with the strategic plan for 2026–2029, the department will prioritize initiatives with high potential impact linked to WFP's core mandate and comparative advantages. It will uphold WFP's commitment to high-quality and efficient delivery in a changing resourcing and operating environment by focusing on impactful and scalable programming supported by innovative systems, robust operational standards and strategic partnerships. The department will also strengthen cross-departmental collaboration by aligning policies, roles and resources throughout global headquarters and country offices, while improving coordination, integrating ways of working and sharing information to ensure that support provided in the field is coherent, timely and driven by operational needs.

137. The department will focus on consolidating the structural changes introduced in 2026, ensuring stable operations and clear accountabilities under the one global headquarters model. It will contribute to the delivery of the UN80 reform agenda by leveraging WFP's leadership in the integrated supply chain initiative and common services in order to unlock efficiency gains across United Nations agencies. In a constrained operating environment, the department will emphasize the responsible stewardship of resources, operational stability and clear prioritization, ensuring that WFP continues to maximize impact while maintaining the quality and effectiveness of its support for country offices.

Partnerships and Innovation Department

138. Partnerships and resourcing are central to WFP's ability to implement its strategic plan and pursue its mission of achieving a world free from hunger and food insecurity. In 2027, the Partnerships and Innovation Department will place particular emphasis on protecting relationships with current resource partners, increasing flexible funding, and diversifying and expanding WFP's partnership base through new opportunities, including multi-stakeholder engagement and innovative initiatives.

139. To remain agile and responsive in a dynamic funding environment, the department is adapting its structure and operating model. This includes streamlining teams, aligning reporting lines, optimizing staff deployment, and consolidating departmental shared services. These measures are designed to maximize efficiency, reduce operational costs and strengthen the department's ability to provide timely, high-quality support to country offices and partners throughout WFP.

140. Through a more focused and efficient operating model, the department will reinforce WFP's capacity to diversify partnerships, mobilize resources effectively, and sustain strong partner engagement. The department's work will remain centred on sustainable resourcing, collaboration and the positioning of WFP to respond to operational needs in a constrained and evolving funding environment.

Workplace and Management Department

141. The Workplace and Management Department's 2027 PSA budget has been reduced by 7.4 percent compared with 2026, contributing significantly to the organization's cost savings and the recalibration of resources towards WFP's highest priorities. The department enables WFP to deliver at scale by sustaining a thriving workforce and providing people-centred, efficient and sustainable enabling services. Anchored on WFP's values and duty of care, the department will promote a safe, inclusive, respectful and healthy work environment while strengthening organizational performance, workforce resilience and innovation throughout WFP's global community. Its work will remain focused on the needs of country offices and on reinforcing WFP's capacity to operate effectively as a global humanitarian organization.

142. The department's priorities will include operations enabled by technology and AI that strengthen country offices' capacity through modernized and efficient services, the simplification and consolidation of initiatives, and the institutionalization of change management as a core organizational capability. It will refine workforce planning and contracting frameworks to better meet country offices' needs and align staffing with organizational priorities. Enabling services will support the implementation of the strategic plan for 2026–2029, while the duty of care framework will be operationalized to promote inclusion and protect employees in all operational settings through the provision of integrated and sustainable support.

143. In a constrained resource environment, the department will optimize financial, human and technical resources through disciplined prioritization, transparency, value-for-money principles, and the centralization of administrative functions at the departmental level. To protect critical functions, foundational services – including the management of security risks, digital connectivity, service continuity, facilities, and core support from headquarters – will be distinguished from discretionary or transformational activities. Lean, digitally enabled delivery models will be pursued to reduce duplication, rationalize systems, optimize service portfolios and integrate environmental and energy-efficient practices. Resource allocation will be guided by performance data, operational demand and cost-benefit considerations, with trade-offs managed transparently to preserve core capacity in security, digital systems and duty of care while sustaining support for WFP's life-saving mission.

Central appropriations

144. Central appropriations fund the costs of meeting statutory requirements, particularly WFP's funding commitments to United Nations jointly financed activities, and other centrally managed activities. The total allocation for central appropriations has been reduced by 6 percent compared with 2026. This reduction has been achieved by discontinuing some central appropriations and further reducing the amounts allocated to others.

145. WFP managed to reduce the United Nations jointly financed activities by 10 percent, and its own contribution to the United Nations Department of Safety and Security by 5 percent. Budget allocations for corporate insurance and legal fees increased by USD 0.75 million.

146. Annex II provides a comprehensive list of the central appropriations for 2027 compared with the 2026 budget plan.

Programme support and administrative budget by object of expenditure

TABLE 4.4: PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET BY OBJECT OF EXPENDITURE, 2026 AND 2027

Cost category	2027 *(USD million)*	2026 *(USD million)*	Change	
			(USD million)	*(%)*
Employees*	263.7	269.9	(6.2)	(2)
Other employees**	26.4	28.0	(1.6)	(6)
Non-employee costs	76.3	82.1	(5.8)	(7)
Total	**366.4**	**380.0**	**(13.6)**	**(4)**

* Employee costs include the costs of international professional staff, international short-term professional staff, general service staff and national officer staff based in global headquarters, and locally recruited staff based in country offices.

** "Other employees" includes the costs of consultants and temporary assistance.

147. As shown in table 4.4, fixed-term staff costs are the largest component of the PSA staffing budget. This category includes international professional staff in global headquarters, country directors, general service staff based in Rome and global offices, and locally recruited staff in regional and country offices. Employee costs are rising as a percentage of the PSA budget, from 71 percent in 2026 to roughly 72 percent in 2027, with the burden of the reduction falling on non-employee costs.

148. The decrease of USD 6.2 million in employee costs reflects a reduction in the number of full-time equivalent positions in line with the 4 percent reduction in the PSA budget, but also the higher costs per employee. The 2027 standard position costs used for budgeting for international professional staff, and general service staff based in Rome and most global offices are derived from actual 2025 figures, adjusted for inflation and the impact of a weaker USD exchange rate, and taking into account actuarial estimates of after-service costs. They also include accruals on security costs, staff wellness costs and termination indemnities. The adjustment to standard staff costs has resulted in a USD 4.9 million increase in the 2027 PSA budget compared with the costs based on the revised standardized cost rates for 2026. The increase is spread throughout the departmental budgets summarized in this document.

149. The 2027 PSA budget for the "other employees" category reflects a 6 percent reduction compared with 2026, while non-employee costs are projected to decrease by 7 percent. In an effort to contain costs and prioritize essential operational spending, the reduction is most evident in travel and commercial consultancy services, both of which declined by 35 percent; training, reduced by 27 percent; and services from and contributions to other United Nations entities, reduced by 6 percent. Utilities, communication and IT services, insurance and legal services, and vehicle leasing and running costs are showing increases in costs.

Programme support and administrative budget for staffing

TABLE 4.5: EMPLOYEES FUNDED BY PROGRAMME SUPPORT AND ADMINISTRATIVE BUDGET, FULL-TIME EQUIVALENT, 2026 AND 2027

Contract type	2027			2026		
	Country offices	Global headquarters	Total	Country offices	Global headquarters	Total
Fixed-term	**245**	**1 400**	**1 645**	**226**	**1 492**	**1 718**
International professional	81	746	**827**	75	807	**882**
Global headquarters general service staff		348	**348**	-	359	**359**
National	164	306	**470**	151	326	**477**
Short-term	**30**	**334**	**364**	**50**	**347**	**397**
Professional and higher		10	**10**	-	14	**14**
Consultants		261	**261**		243	**243**
Temporary assistance	30	63	**93**	50	90	**140**
Total	**275**	**1 734**	**2 009**	**276**	**1 839**	**2 115**

150. To remain within the PSA budget of USD 366.4 million, the total number of PSA-funded full-time equivalent positions is projected to decrease by 5 percent compared with the PSA budget for 2026, in line with the overall budget reduction. The proportion of employees on fixed-term contracts is increasing slightly, from 81 to 82 percent, reflecting a deliberate alignment between the PSA budget, which funds core recurring support activities, and the staffing framework, which prioritizes long-term contracts for roles of a continuing nature. The consistent share of fixed-term positions underscores WFP's commitment to maintaining institutional continuity and operational resilience.

151. The proportion of short-term to fixed-term contracts is reducing slightly following the overall staffing reductions of recent years, but WFP maintains 18 percent of PSA-funded positions as short-term contracts. It is essential to retain critical skills, expertise and institutional knowledge with fixed-term employees while having the flexibility to allow for contractions and expansions of the workforce as needed, with short-term employees complementing the capacity of the fixed-term workforce by providing specific expertise that is essential to delivering results for the people WFP serves.

152. To support effective workforce management and ensure a workforce structure that is fit for purpose for the future, including through the use of long-term and short-term contracts, the WFP staffing framework is being updated for expected implementation in 2027. With the key principles of duty of care, flexibility, simplification and harmonization, it will streamline WFP's contract modalities so that WFP can deliver on its mandate.

Indirect support cost rate

153. WFP's ISC rate is calculated to ensure that the costs of the activities defined in the PSA budget can be fully funded from projected contribution revenue. At the same time, the rate that is applied should not generate excess income that could otherwise be used for direct programme implementation.

154. The standard ISC rate for 2027 has been calculated as shown in table 4.6 using the methodology established in 2006,[13] with no adjustment shown for the PSAEA target level, as the account's balance is projected to be above the target ceiling.

TABLE 4.6: CALCULATION OF THE INDIRECT SUPPORT COST RATE *(%)*	
2025 baseline	6.56
Decrease for lower indirect expenditures – from 2025 to 2027	(1.61)
Increase for lower funding forecast – from 2025 to 2027	1.66
Derived ISC rate for 2027	**6.61**

155. Assuming a global contribution forecast of USD 6.3 billion for 2027, and a standard ISC rate of 6.5 percent, with exceptions of 4 percent for specific cases approved by the Board, ISC income in 2027 will be USD 366.4 million.

156. Although the derived ISC rate for 2027 is higher than the standard rate of 6.5 percent, an increase in the ISC rate is not requested for 2027 as the projected indirect support costs have been aligned with the projected ISC income; however, the ISC rate might need to be revised in the future.

[13] WFP. 2006. Review of Indirect Support Costs Rate (WFP/EB.A/2006/6-C/1).

4.4 Reserves and fund balances

Overview

157. The projected balance of the PSAEA on 1 January 2027 is USD 274.7 million, while that of the unearmarked portion of the General Fund is USD 375.6 million. These projected beginning-of-year balances are above the PSAEA target ceiling and the prudent balance of the unearmarked portion of the General Fund. With their healthy projected opening balances, management proposes to use a portion of these funding sources for strategic investments that protect operational continuity, strengthen future sustainability or generate measurable returns for WFP.

Programme support and administrative equalization account

TABLE 4.7: PROJECTION OF THE PROGRAMME SUPPORT AND ADMINISTRATIVE EQUALIZATION ACCOUNT *(USD million)*	
PSAEA projected budgetary balance at 1 January 2027*	274.7
ISC projected revenue, based on a global contribution income forecast of USD 6.3 billion	366.4
Proposed PSA budget	(366.4)
Proposed uses	(28.9)
- Wellness fund	(2.0)
- Critical corporate initiatives, multi-year	(26.9)
PSAEA projected budgetary balance at 31 December 2027	245.8
PSAEA target – equivalent to 5 months of 2027 PSA expenditures	152.7
PSAEA floor – equivalent to 2 months of 2027 PSA expenditures	61.1

* The PSAEA projected balance of USD 274.7 million on 1 January 2027 is calculated on a budgetary basis. It reflects the PSAEA closing balance of USD 388 million, as reported in the 2025 financial statements, less budgetary commitments of USD 20.3 million, plus projected ISC income in 2026 of USD 365 million, minus the allocations approved in the management plan for 2026–2028, of USD 78 million, and less the approved 2026 PSA budget of USD 380 million.

158. Management proposes allocating USD 28.9 million from the PSAEA: USD 2 million to replenish the wellness fund; and USD 26.9 million for CCIs – USD 12.5 million for three new CCIs to be implemented in 2027 and 2028, USD 14.4 million for expanding the scope of the previously approved Digital business transformation plan CCI, and an additional allocation for an extension of the IPSAS implementation CCI.

159. The proposed CCI portfolio is deliberately focused on areas that position WFP for the future: the United Nations reform and common services; innovative financing and resource mobilization; IPSAS implementation; and AI initiatives.

160. When these proposed uses are taken into account, the projected balance of the PSAEA at the end of 2027 is USD 245.8 million – as shown in table 4.7 – which is higher than the target ceiling of USD 152.7 million, equivalent to five months of PSA expenditure.

Wellness special account – USD 2.0 million

161. In recognition of the critical importance of staff well-being as a foundation for employees' engagement and operational effectiveness, the management plan for 2026–2028 featured a USD 8 million allocation from the PSAEA to the wellness special account. The objective of this allocation was to support the operationalization of the WFP wellness strategy for 2025–2030 and the timely delivery of location-specific wellness services to WFP teams operating in high-risk and resource-constrained duty stations. The allocation was intended to sustain the provision of catalyst funding to country offices for essential wellness projects and duty-of-

care initiatives over a five-year period, with a projected average disbursement of USD 1.5 to USD 2.0 million per year across multiple duty stations.

162. However, WFP's frontline role in responding to the humanitarian crisis caused by the outbreak of Ebola Bundibugyo virus in Eastern Africa in May 2026 has called for extraordinary wellness support initiatives to protect WFP's personnel and partners on the ground, dramatically increasing the demand for dedicated funding. The wellness special account was considered an immediate source of funding for the swift deployment of a number of health protection and risk mitigation initiatives for the Democratic Republic of the Congo country office, with an estimated total investment of USD 2 million over the first six months of the emergency response. This sudden spike in the demand for and utilization of wellness funding has dramatically reduced the balance of the account, which in turn will limit WFP's ability to support wellness investments in other duty stations in the coming months. The proposed replenishment of USD 2 million will restore the wellness special account to the target level of resources required for the account to continue achieving its objectives in 2027 and beyond.

Critical corporate initiatives

163. CCIs are designed to have long-term impacts and will generate future cost efficiencies throughout WFP. The development of CCI proposals involves collaboration between global headquarters and country offices aimed at ensuring that the planned results meet the needs of WFP's field operations.

164. Seven CCIs are planned for 2027, of which four are continuing from previous years and three are new initiatives, as shown in table 4.8. The budgets of the continuing CCIs will be funded from allocations previously approved, with the exception of an additional allocation to extend the scope of the Digital business transformation plan CCI and an allocation for an extension in time for the IPSAS implementation CCI. Management proposes to allocate USD 12.5 million to fund the new CCIs for their duration, thereby providing reliable multi-year funding to ensure the CCI's completion. To ensure accountability and performance-based implementation, the budget allocations for CCIs will follow a phased approach. The funds allocated to the second year of implementation will be released subject to satisfactory performance and the successful achievement of agreed milestones in the first year.

165. Brief descriptions of the new CCIs and the requests for additional allocations are provided below, with the full concept notes available in annex III, which also provides details of the current financial status, results achieved and plans for the ongoing CCIs that will continue in 2027.

TABLE 4.8: CRITICAL CORPORATE INITIATIVE BUDGET OVERVIEW *(USD million)*

CCI name	Duration	Previously approved	New funding request	Total multi-year budget	2027 budget*
Ongoing CCIs continuing in 2027					
IPSAS implementation – one-year extension	2025–2027	5.1	4.4	9.5	5.2
Positioning WFP to unlock diverse funding	2025–2027	5.1	-	5.1	1.3
WFP digital business transformation plan**	2026–2028	60.0	10.0	70.0	32.7
Implementation of global shared services strategy	2026–2028	10.0	-	10.0	4.8
Subtotal		**80.2**	**14.4**	**94.6**	**44.0**

TABLE 4.8: CRITICAL CORPORATE INITIATIVE BUDGET OVERVIEW *(USD million)*					
CCI name	**Duration**	**Previously approved**	**New funding request**	**Total multi-year budget**	**2027 budget***
New CCIs					
UN80: Delivering integrated services, systems and data across the United Nations system	2027–2028	-	7.2	7.2	5.9
Scaling innovative finance for WFP delivery and impact	2027–2028	-	2.7	2.7	1.4
Upskilling country office teams for resource mobilization strategy implementation	2027–2028	-	2.6	2.6	1.3
Subtotal		**-**	**12.5**	**12.5**	**8.6**
Total		**80.2**	**26.9**	**107.1**	**52.5*** **

* Including the originally approved budget for 2027, estimated 2026 year-end closing balances and requested new allocations, where applicable.

** The amount includes the total multi-year budget of USD 60 million, approved by the Board in the management plan for 2026–2028, and the requested new allocation of USD 10 million. It excludes the USD 20 million of funding expected from partners' contributions and the Capital Budgeting Facility.

*** The sum of the individual CCI budgets in the table adds up to USD 52.6 million owing to rounding, but the total 2027 CCI budget is USD 52.5 million.

IPSAS implementation – one-year extension with an additional USD 4.4 million

166. WFP's IPSAS CCI is a mandatory compliance initiative that ensures continued alignment with International Public Sector Accounting Standards (IPSAS), safeguarding WFP's achievement of an unmodified audit opinion, and stakeholder confidence. Significant progress has already been made with the implementation of IPSAS 43–46; however, an extension into 2027 is required in order to complete the remaining system enhancements for IPSAS 43, on lease accounting, and to implement system-enabled processes and controls for IPSAS 47, on revenue, and IPSAS 48, on transfer expenses. The revised timeline reflects the organization-wide upgrade of WFP's enterprise resource planning system, which delayed planned system developments in 2026, and the need to complete implementation and stabilization activities, update policies and procedures, and provide training to relevant teams in 2027. Completing this work is essential for WFP to maintain full compliance with IPSAS, safeguard its unqualified audit opinion, and preserve the confidence of donors and other stakeholders.

WFP digital business transformation plan – additional USD 10 million

167. Approved by the Board in 2025, the Digital business transformation plan CCI for 2026–2028 operationalizes WFP's information and technology strategy by translating the strategy's vision of a digitally enabled, data-driven organization into targeted investments in scalable digital platforms, data analytics and operational technologies that help to enhance humanitarian response and advance progress towards the goal of zero hunger. WFP proposes to expand the scope of the initiative with an allocation of an additional USD 10 million for the inclusion of a new deliverable to enable the responsible adoption of AI at scale.

168. Under unprecedented operational pressure as acute food insecurity rises, humanitarian needs escalate and global funding declines, country offices and field teams must deliver more complex programmes with fewer resources, tighter timelines and greater accountability. WFP has a strategic opportunity to leverage emerging technologies in order

to deliver better value to beneficiaries, faster and at scale, by not only improving internal processes but also strengthening operational outcomes, decision-making and frontline delivery. This new deliverable will prioritize scalable AI investments in four areas of business value: workforce productivity; operational and enterprise optimization; critical operational capabilities and business transformation; and risk and assurance. Priority will be given to the needs of field operations, supported by investments in common AI enablers, including the technology, governance, information security, and data infrastructure and management needed to rapidly and safely scale operational uses of AI. The deliverable will also invest in the capabilities required to scale adoption, including the change management required for operations to adopt new technology and new ways of working.

UN80: delivering integrated services, systems and data across the United Nations system – USD 7.2 million

169. In today's increasingly complex operating environment, the Secretary-General's UN80 initiative and the Inter-Agency Standing Committee's humanitarian reset are responding to demands from Member States and donors for a United Nations that delivers faster, more efficiently and with stronger accountability. With humanitarian needs rising and resources under increasing pressure, sustaining the momentum behind these reforms is increasingly important. The United Nations system must operate as a more coherent and integrated whole supported by shared services, interoperable systems, stronger analytical capabilities and reduced duplication in order to maximize the impact of limited resources.

170. As the United Nations' largest humanitarian agency, WFP plays a central role in shaping and delivering these reforms. Beyond delivering assistance at scale, WFP also provides critical common services, operational platforms and technical capabilities that support the wider humanitarian community. Through its leadership in areas such as supply chains, cash assistance, identity assurance, common services and humanitarian analytics, WFP is uniquely positioned to translate reform objectives into practical operational capabilities that benefit both its own programmes and the wider United Nations system.

171. This CCI brings together six complementary deliverables that strengthen integrated supply chains, cost-efficient cash delivery, identity assurance, common back offices, common services, and interoperable data, analytics and accountability systems. Together, these investments will reduce fragmentation, improve efficiency, strengthen accountability and support more coordinated humanitarian action, positioning WFP at the forefront of efforts to build a more integrated, efficient and accountable United Nations system under the UN80 initiative.

Scaling innovative finance for WFP delivery and impact – USD 2.7 million

172. Building on the foundations established through the Fit for the future in a changed funding landscape CCI and the Positioning WFP to unlock diverse funding CCI, this CCI will institutionalize WFP's capacity to originate, structure, obtain approval for and execute innovative finance transactions at scale. The initiative will shift WFP from readiness to delivery, with a focus on three pillars: the creation of an innovative finance pipeline; the execution of transactions that generate net new funding; the enablement of country offices through targeted capacity development and action planning; and the operationalization of WFP's innovative financing facility, including governance, risk management, and the deployment of catalytic capital.

Upskilling country office teams for resource mobilization strategy implementation CCI – USD 2.6 million

173. This CCI aims to strengthen country offices' ability to independently implement WFP's resource mobilization strategy for 2026–2029 by combining capacity development, process simplification, and targeted support for diversified fundraising. Led by the Public Partnerships Division, the initiative focuses on equipping country office teams with the skills, tools and practical support they need to identify, develop and benefit from partnership opportunities while reducing operational bottlenecks through streamlined processes, automation and AI-enabled solutions. By strengthening country-level ownership and execution, the CCI seeks to increase fundraising results, improve efficiency, and embed sustainable resource mobilization capabilities across WFP.

Use of the unearmarked portion of the General Fund

174. The main source of income for the unearmarked portion of the General Fund is investment income from WFP's cash balances, and foreign exchange income from treasury transactions which are credited to the General Fund in accordance with Financial Regulation 11.3.

TABLE 4.9: PROJECTION OF THE UNEARMARKED PORTION OF THE GENERAL FUND
(USD million)

Projected balance at 1 January 2027*		375.6
Projected earnings		115.0
Previously approved – treasury management	(2.4)	
Proposed uses	(80.0)	
- Immediate Response Account replenishment	(30.0)	
- Country office safety net	(15.0)	
- Individual fundraising model	(20.0)	
- Innovative financing facility	(15.0)	
Projected balance at 31 December 2027		408.2
Prudent balance		150.0

* The opening balance of USD 398.8 million in the unearmarked portion of the General Fund on 1 January 2026 – as reported in the 2025 financial statements – has been adjusted to factor in projected revenue of USD 121.6 million in 2026, minus expenses of USD 2.4 million for treasury management and less the Board-approved allocations of USD 142.4 million, as in the management plan for 2026-2028. The projected opening balance at 1 January 2027 stands at USD 375.6 million.

175. In light of its healthy projected balance, management proposes to allocate USD 80 million from the unearmarked portion of the General Fund. This amount will be used prudently and strategically for investments in WFP's future and to strengthen WFP's reserves.

Immediate Response Account replenishment

176. The Immediate Response Account (IRA) is WFP's flexible, revolving multilateral funding mechanism that provides rapid, last-resort financing for the provision of life-saving assistance when no alternative funding source is immediately available. The mechanism is replenished primarily through voluntary contributions from donors,[14] the repayment of previous IRA advances from contributions to CSPs, and transfers from WFP's reserves and fund balances, as approved through delegated authority or by the Board. The annual resourcing target is set to guide resource mobilization efforts for the IRA and to help ensure

[14] See annex III of the "Report on the utilization of WFP's strategic financing mechanisms (1 January–31 December 2025)" (WFP/EB.A/2026/6-B/1).

sufficient liquidity to support timely emergency response. The movements in the account, including approved transfers to the IRA from the PSAEA and the unearmarked portion of the General Fund, are shown in table 4.10.

TABLE 4.10: IMMEDIATE RESPONSE ACCOUNT MOVEMENTS, 2020 – 30 June 2026 *(USD million)*

	2020	2021	2022	2023	2024	2025	Up to 30 June 2026
Directed IRA contributions	24.7	64.0	101.1	107.5	74.2	53.9	21.8
Revolved funds	82.5	70.4	220.4	131.6	146.6	110.6	91.4
WFP funds	77.5	53.8	180.0	155.8	54.2	80.0	26.0
Multilateral contributions	25.0	30.6	50.0				
Unearmarked portion of the General Fund			100.0		50.0	75.0	25.0
PSAEA	52.5		30.0	150.0			
Surplus from WFP's self-insurance special account		20.0					
Other*		3.2		5.8	4.2	5.0	1.0
Total revenue	**184.7**	**188.2**	**501.5**	**394.9**	**275.0**	**244.5**	**139.2**
Allocations	188.5	220.0	385.0	433.5	196.1	297.3	122.9

* Other = fund balances and foreign exchange fluctuations from contributions to the CSPs and other recipient WFP activities; interest accrued on donor funds administered by WFP through trust funds for bilateral contributions; other funds identified with and approved by the appropriate donors, management authorities and/or the Board; and, in 2021, surplus from the self-insurance special account.

177. As of 30 June 2026, approved IRA advances were USD 123 million, marking a 37 percent increase compared with the same period in 2025. Demand is expected to remain elevated in the second half of the year owing to seasonal and climate-related shocks. Based on current projections, the IRA closing balance at the end of 2026 is estimated at USD 118 million. Given that IRA allocations in the first quarter of the year average about USD 100 million, and recognizing that the arrival of donors' contributions to CSPs typically accelerates from the second quarter onwards, maintaining an opening target balance of USD 150 million is considered prudent in ensuring timely and reliable emergency response capacity.

178. A proposed USD 30 million transfer from the unearmarked portion of the General Fund to the IRA will help to ensure an adequate opening balance for 2027. This target funding level will enable WFP to respond to emergencies in a timely manner while awaiting donors' contributions to support operations.

Country Office Safety Net

179. The Country Office Safety Net is an important mechanism for supporting country offices as they adjust to reduced resourcing levels while maintaining programme quality, compliance and effective targeting. To help alleviate the financial pressure exerted on the associated costs of CSPs, the Country Office Safety Net covers unforeseen and exigent costs arising at the country office level, including the costs associated with the relocation and evacuation of employees in response to rapidly changing security situations or security incidents. It is also used to cover statutory obligations such as evaluation.

180. Since its establishment in the management plan for 2024–2026, the Country Office Safety Net has been supported by successive allocations from the unearmarked portion of the General Fund. These include USD 85 million approved in the management plan for 2024–2026, USD 40 million approved in the update to the management plan for 2025–2027, and a USD 25 million replenishment approved in the management plan for 2026–2028. As of July 2026, USD 85.3 million had been allocated to country offices to bridge the costs associated with cooperating partners, perform retargeting exercises and issue related communications, strengthen community feedback mechanisms, fund cost-saving investments, temporarily cover fixed costs, and cover expenses linked to the reduction in WFP's footprint, such as for warehouse and office closures and termination indemnities.

181. While contributions to WFP are expected to stabilize at USD 6.3 billion in 2027, funding conditions continue to vary significantly among operations. Some country offices are expected to face continued funding constraints and corresponding operational adjustments. WFP proposes an allocation of USD 15 million from the unearmarked portion of the General Fund to replenish the safety net so that it can continue to support country offices, including by addressing unforeseen operational costs that cannot be covered by other corporate funds.

Individual fundraising model

182. Since 2020, WFP has invested in building a unique model for raising funds directly from the public, using mainly digital channels. Between 2019 and 2025, WFP's income from individuals grew from USD 20 million to USD 142 million, a seven-fold increase in six years. This model has the potential to mobilize up to USD 1.3 billion between 2025 and 2030, provided additional investment is secured.

183. With the first two tranches of USD 20 million in 2025 and 2026, WFP has been increasing its efforts to expand the regular donor base of supporters who will provide it with reliable income year after year. After recruitment, a supporter's "lifetime value" – the cumulative contribution made during their period of engagement with WFP – will continue to grow over several years. Acquisition costs are limited to the initial year, resulting in a higher return on investment compared with the acquisition of single givers, who only make one donation. On average, a regular giver donates USD 485 over four years – almost five times the lifetime value of a single giver. This leads WFP to centre its investment strategy on the pursuit of such long-term returns on investment. The expansion into new language markets and new channels – such as the piloting of face-to-face fundraising in five markets, and telemarketing – is setting the foundation for the creation of a large supporter base that delivers flexible sustainable income. As part of this strategy, WFP has secured free advertising space from major advertisement platforms, significantly amplifying its outreach efforts at no additional cost. WFP is on track to reach the USD 163 million target set in the management plan for 2026–2028. To continue harnessing the potential of individual fundraising, an investment of USD 20 million is sought for 2027 as the third tranche of a multi-year investment of USD 100 million for the period from 2025 to 2030. Annex IV provides further details on the achievements under this initiative to date, and outlines the focus, targets and priorities for 2027 and the following years.

Innovative financing facility

184. WFP proposes to establish an internal corporate facility, the innovative financing facility, to provide catalytic capital through a combination of direct funding and revolving allocations, enabling the organization to coinvest with partners, absorb early-stage transaction risks and costs, and finance the preparatory work needed to unlock larger, multi-year innovative financing solutions. Increasingly, partners expect a credible upfront commitment before a transaction can proceed. By making risk-tolerant capital available at that point, the

mechanism would allow WFP to initiate and scale financing mechanisms that would otherwise stall, with the capital recovered over time for redeployment, when feasible.

185. The innovative financing facility would finance the discrete, time-critical costs that stand between a credible transaction and financial close, including the costs of design and structuring work, legal fees, initial grant contributions, premiums, and upfront working capital.

186. The facility would act as a third instrument in WFP's catalytic financing resources, alongside the Emerging Donor Matching Fund and the Changing Lives Transformation Fund, and would support activities in five thematic areas: debt swaps and capital market solutions; co-financing; blended finance; results-based financing; and innovative disaster-risk and climate finance. On average, across the portfolio, each dollar allocated from the facility would be expected to mobilize at least two additional dollars of financing.

187. An initial capitalization of USD 15 million from the unearmarked portion of the General Fund is proposed for 2027–2029. Allocations would be approved by the Executive Director on the endorsement of the innovative finance steering committee, and the innovative financing facility would be ring-fenced in a dedicated special account. Further information can be found in annex V.

Acronyms

AI	artificial intelligence
CBT	cash-based transfer
CERF	Central Emergency Response Fund
CSP	country strategic plan
DSC	direct support costs
FAO	Food and Agriculture Organization of the United Nations
GCMF	Global Commodity Management Facility
IFAD	International Fund for Agricultural Development
IFI	international financial institution
IRA	Immediate Response Account
ISC	indirect support costs
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
UNHAS	United Nations Humanitarian Air Service
UNHRD	United Nations Humanitarian Response Depot
UNICEF	United Nations Children's Fund
WHO	World Health Organization